

PAPER MONEY

VOL. XXXV No. 4
WHOLE No. 184

JULY / AUG 1996



This is a detailed illustration of a one-dollar banknote from the Bank of Middle Town, Philadelphia. The note features a central vignette depicting a steam locomotive pulling a passenger car, with several people standing around it. Above the vignette, the words "HARRISBURG" and "LANCASTER" are printed in large, stylized letters, with "PAID TO THE BEARER ON DEMAND" written between them. Below the vignette, the text "RAIL ROAD COMPANY" is visible. The denomination "ONE DOLLAR" is prominently displayed in the center. At the bottom, the name "J. S. HALL" is signed, followed by "By Authority". The word "PHILADELPHIA" appears on the left side. The entire note is framed by decorative borders, and the word "ONE" is repeated in large letters at each corner.



A Great New Auction—R.M. Smythe will conduct a major paper money, stock & bond auction during the course of the show. The auction is scheduled for Friday, September 20, 8:00 P.M. Bids can be placed by mail, fax, telephone, and in person. An illustrated auction catalogue, \$15.00, will be available August 21.

Contact Mary Herzog for table reservations and show information

26 Broadway, Suite 271, New York, NY 10004-1701

For hotel room reservations contact The Historic Strasburg Inn

800-872-0201, 717-687-7691, FAX 717-687-6098



*Where historic paper collections of the world
are researched, auctioned, bought and sold.*

Established 1880

Aaron's Coin Center • Ray Anthony • Atlanta Numismatics & Currency • Lucien Birkler • Christian Blom • BNR Press
 Carl Bombara • Capitol Coins • David F. Cieniewicz • Paul Cuccia • A.P. Cyrgalis • Days of '49 • Denly's of Boston
 Doric Coins & Currency • Tom Durkin • Russell Kaye Rare Coins • Claud Murphy • Numisvalu • Rabenco, Inc.
 Red River Rarities • Jim Sazama • Steinberg's • R.M. Smythe • David Strebe • Woodcliff Investment Corp



SOCIETY
OF
PAPER MONEY
COLLECTORS
INC.

PAPER MONEY is published every other month beginning in January by The Society of Paper Money Collectors. Second class postage paid at Dover, DE 19901. Postmaster send address changes to: Bob Cochran, Secretary, P.O. Box 1085, Florissant, MO 63031.

© Society of Paper Money Collectors, Inc., 1996. All rights reserved. Reproduction of any article, in whole or in part, without express written permission, is prohibited.

Individual copies of this issue of PAPER MONEY are available from the Secretary for \$2.75 each plus \$1 postage. Five or more copies are sent postage free.

ADVERTISING RATES

SPACE	1 TIME	3 TIMES	6 TIMES
Outside			
Back Cover	\$152	\$420	\$825
Inside Front & Back Cover	\$145	\$405	\$798
Full Page	\$140	\$395	\$775
Half-page	\$75	\$200	\$390
Quarter-page	\$38	\$105	\$198
Eighth-page	\$20	\$55	\$105

To keep rates at a minimum, advertising must be prepaid in advance according to the above schedule. In exceptional cases where special artwork or extra typing are required, the advertiser will be notified and billed extra for them accordingly.

Rates are not commissionable. Proofs are not supplied.

Deadline: Copy must be in the editorial office no later than the 1st of the month preceding issue (e.g., Feb. 1 for March/April issue). With advance notice, camera-ready copy will be accepted up to three weeks later.

Mechanical Requirements: Full page 42–57 picas; half-page may be either vertical or horizontal in format. Single column width, 20 picas. Halftones acceptable, but not mats or stereos. Page position may be requested but cannot be guaranteed.

Advertising copy shall be restricted to paper currency and allied numismatic material and publications and accessories related thereto. SPMC does not guarantee advertisements but accepts copy in good faith, reserving the right to reject objectionable material or edit any copy.

SPMC assumes no financial responsibility for typographical errors in advertisements, but agrees to reprint that portion of an advertisement in which typographical error should occur upon prompt notification of such error.

All advertising copy and correspondence should be sent to the Editor.

PAPER MONEY

Official Bimonthly Publication of
The Society of Paper Money Collectors, Inc.

Vol. XXXV No. 4 Whole No. 184 JULY/AUG 1996

ISSN 0031-1162

GENE HESSLER, Editor, P.O. Box 8147, St. Louis, MO 63156

Manuscripts (*mss*), not under consideration elsewhere, and publications for review should be sent to the Editor. Accepted *mss* will be published as soon as possible; however, publication in a specific issue cannot be guaranteed. Opinions expressed by authors do not necessarily reflect those of the SPMC.

Mss are to be typed on one side only, double-spaced with at least one-inch margins. A copy should be retained by the author. The author's name, address and telephone number should appear on the first page.

In addition, although it is not required, you are encouraged to submit a copy on a 3½ or 5¼ inch MS DOS disk, identified with the name and version of software used: Microsoft Word, Word Perfect or text (ASCII), etc. If disk is submitted, double-spaced printout must accompany disk.

IN THIS ISSUE

AVIATION AND WORLD PAPER MONEY	
Mohamad H. Hussein	131
THE BASICS	
Bob Cochran	136
THE PRINTER'S DEVIL NOTE	
Forrest W. Daniel	137
A CONFEDERATE NATIONAL BANK NOTE	
Charles A. Dean	142
REFLECTIONS OF JOHN HICKMAN	145
DOW JONES 3600, ANOTHER NEW HIGH, THE POWER OF AMERICAN CAPITALISM	
Ned Downing	146
THE LAST NOTE REVISITED	
Dave Grant	149
THREE UNIQUE GOLD CERTIFICATES	
Gene Hessler	152
THE BUCK STARTS HERE	
Gene Hessler	154
PATIENCE, PERSEVERANCE AND PURPOSE PAYS OFF	
Richard Deavers	155
MISSISSIPPI RIVER & BONNE TERRE RAILWAY	
Bob Schmidt	158
OL' 8894!	
Bob Cochran	159

SOCIETY FEATURES

A LETTER TO THE SECRETARY	159
NEW MEMBERS	159
MONEY MART	160

ON THE COVER. Johann Gutenberg (d. 1468) was first in the West to print from movable type. See the article by Forrest W. Daniel in this issue.

For change of address, inquiries concerning non-delivery of PAPER MONEY and for additional copies of this issue contact the Secretary; the address is on the next page. For earlier issues contact Classic Coins, P.O. Box 95, Allen, MI 49227.

SOCIETY OF PAPER MONEY COLLECTORS**OFFICERS****PRESIDENT**

DEAN OAKES, Drawer 1456, Iowa City, IA 52240

VICE-PRESIDENT

FRANK CLARK, P.O. Box 117060, Carrollton, TX 75011

SECRETARY

ROBERT COCHRAN, P.O. Box 1085, Florissant, MO 63031

TREASURER

TIM KYZIVAT, P.O. Box 803, LaGrange, IL 60525

APPOINTEES**EDITOR** GENE HESSLER, P.O. Box 8147,
St. Louis, MO 63156**MEMBERSHIP DIRECTOR**

FRANK CLARK, P.O. Box 117060, Carrollton, TX 75011

WISMER BOOK PROJECTSTEVEN K. WHITFIELD, 14092 W. 115th St., Olathe, KS
66062**LEGAL COUNSEL**

ROBERT J. GALIETTE, 10 Wilcox Lane, Avon, CT 06001

LIBRARIAN

ROGER H. DURAND, P.O. Box 186, Rehoboth, MA 02769

PAST-PRESIDENTJUDITH MURPHY, P.O. Box 24056, Winston Salem, NC
27114

The Society of Paper Money Collectors was organized in 1961 and incorporated in 1964 as a non-profit organization under the laws of the District of Columbia. It is affiliated with the American Numismatic Association. The annual meeting is held at the Memphis IPMS in June.

MEMBERSHIP—REGULAR and LIFE. Applicants must be at least 18 years of age and of good moral character. **JUNIOR.** Applicants must be from 12 to 18 years of age and of good moral character. Their application must be signed by a parent or guardian. They will be preceded by the letter "J". This letter will be removed upon notification to the secretary that the member has reached 18 years of age. Junior members are not eligible to hold office or vote.

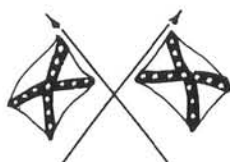
BOARD OF GOVERNORS**RAPHAEL ELLENBOGEN**, 1840 Harwitch Rd., Upper
Arlington, OH 43221**C. JOHN FERRERI**, P.O. Box 33, Storrs, CT 06268**GENE HESSLER**, P.O. Box 8147, St. Louis, MO 63156**RON HORSTMAN**, 5010 Timber Lane, Gerald, MO 63037**MILTON R. FRIEDBERG**, 8803 Brecksville Rd. #7-203,
Brecksville, OH 44141-1933**STEPHEN TAYLOR**, 70 West View Avenue, Dover, DE 19901**WENDELL W. WOLKA**, P.O. Box 569, Dublin, OH 43017**STEVEN K. WHITFIELD**, 14092 W. 115th St., Olathe, KS
66062

Members of the ANA or other recognized numismatic societies are eligible for membership. Other applicants should be sponsored by an SMPC member or provide suitable references.

DUES—Annual dues are \$24. Members in Canada and Mexico should add \$5 to cover additional postage; members throughout the rest of the world add \$10. Life membership, payable in installments within one year, is \$300. Members who join the Society prior to Oct. 1st receive the magazines already issued in the year in which they join. Members who join after Oct. 1st will have their dues paid through December of the following year. They will also receive, as a bonus, a copy of the magazine issued in November of the year in which they joined.

BUYING and SELLING

CSA and Obsolete Notes
CSA Bonds, Stocks &
Financial Items



Extensive Catalog for \$3.00,
Refundable With Order

HUGH SHULL

P.O. Box 761, Camden, SC 29020 (803) 432-8500
FAX 803-432-9958

ANA-LM
SCNA
PCDA

SPMC-LM
BRNA
FUN

AVIATION AND WORLD PAPER MONEY

by MOHAMAD H. HUSSEIN

Aviation is a term applied to all activities associated with the flight of heavier-than-air craft, including airplanes, helicopters and gliders. The field is generally divided into three major branches: general aviation, air-transport aviation, and military aviation. Ancient legends include many fantasies of humans flying in the air. Centuries of aspiration and experimentation preceded the first successful flight. Today, giant airplanes regularly transport passengers and goods between major cities of the world in a matter of hours. Planes are used to quickly deliver medicine, food and relief supplies to remote places. Airplanes and helicopters are commonly used for business, science, industry, agriculture, law enforcement, fire fighting, surveying, sports, pleasure and many other activities. Military aviation plays important roles in both combat and peacetime.

AN old Greek tale described how Icarus and his father Daedalus flew with wings of feathers and wax, and how when Icarus soared too close to the sun, the wax melted, his wings disintegrated and he fell into the sea and drowned. People in ancient times believed that man could fly by imitating birds. About 400 B.C. the Greek scholar Archytas built a wooden pigeon that supposedly flew around a revolving arm with the action of smoke. About 350 B.C. the Chinese invented kites, the first form of aircraft. In the 3rd century B.C., the Greek mathematician Archimedes discovered the principles governing the floatation of solid objects in liquids. In the 13th century, the English monk Roger Bacon studied Archimedes's ideas and concluded that air could support a craft like water supports a boat. At the beginning of the 16th century, the Italian Renaissance inventor and artist Leonardo da Vinci contributed greatly to the development of aviation by his inventions of the airscrew, or propeller, and the parachute. Da Vinci also conceived three different types of man-powered heavier-than-air craft: ornithopters, which are flying machines with wings designed to flap like a bird, helicopters, which are designed to move vertically by the revolving of a rotor, and

gliders, which consist of a wing fixed to a frame. In 1680, the Italian mathematician Giovanni Borelli proved that human muscles are not adequate to power the machines needed to carry people in the air. Yet, in 1889, the American R.J. Spaulding actually received a patent for his muscle-powered flying machine.

Sir George Cayley (1773–1857), a British aeronautical engineer and inventor, is generally considered "the father of aviation." He founded the science of "aerodynamics" and built the first successful full-size gliders. In 1843, William Henson of Great Britain patented plans for his "Aerial Steam Carriage," the first plane with fixed wings, a steam engine, two propellers and a passenger cabin. It, however, was never built. Otto Lilienthal of Germany made the first pilot-controlled gliders in the early 1890s. The first successful airplane was designed, built and flown by the brothers Wilbur and Orville Wright who first became interested in aviation while operating a bicycle-manufacturing shop in Dayton, Ohio.

Practical aviation started on December 17, 1903 near Kitty Hawk, North Carolina when Wilbur and Orville Wright became the first to successfully fly a heavier-than-air craft under power and control. Each brother made two flights that day. The first flight, by Orville, covered 120 feet and lasted about 12 seconds; the longest was by Wilbur covering 852 feet in 59 seconds. In 1906, Alberto Santos-Dumont, a Brazilian who lived in France, became the third person to fly an airplane (and the first in Europe). He later built The Demoiselles light-weight planes, the first to be used for personal and pleasure flying. The French inventor Louis Bleriot made the first international flight in 1909 by flying his Bleriot XI monoplane from France to England across the English Channel. In 1913, the Russian inventor Igor Sikorsky built and flew the first four-engine plane. Calbraith Rodgers made the first flight across the United States in 1911 from Sheephead Bay, New York to Long Beach, California in a Wright plane. The flight took 84 days and required 70 stops along the way; actual flying time was 3 days 10 hours and 24 minutes. In 1927, Charles Lindbergh made the first solo nonstop flight across the Atlantic Ocean from Garden City, New York to Paris, France in 33 hours and 30 minutes in a plane called the "Spirit of St. Louis." Hugh Herndon and Clyde Pangborn made the first nonstop flight across the Pacific Ocean in 1931. The first solo round-the-world flight was made in 1933 by Wiley Post. The British inventor Frank Whittle built the first jet engine in 1937. The Messerschmitt Me 262 Ger-

man fighter was the first jet combat plane, it flew during World War II. In 1947 the American Charles Yeager, piloting the Bell X-1 rocket plane, made the first supersonic flight in history.

In 1905, the French brothers Charles and Gabriel Voisin started the world's first airplane manufacturing company. In America, Glenn Curtis started the first airplane company in 1907 in Hammondsport, New York and sold the first commercial airplane for \$5,000 to the Aeronautic Society of New York. In 1909, two other airplane companies were established in the United States; one by the Wright brothers, and the other by a young automechanic named Glenn Martin in an abandoned church building in Santa Ana, California. The Wright brothers sold the first made-to-order military airplane to the U.S. Army Signal Corps for \$30,000. In 1916, the Boeing Company was started by William Boeing in Seattle, Washington and the Lockheed Corporation was founded by the brothers Allan and Malcolm Loughhead in Santa Barbara, California. Today, there are more than 1300 factories in the United States making aircraft parts. According to industry estimates, the world demand in the next twenty years for passenger aircraft with seating capacity of 80 to 130 passengers is projected at more than 2800 units. In 1995, the Saudi Arabian national airline purchased 61 aircraft, including Boeing 777-200s, 747-400s, and McDonnell Douglas MD-90s and MD-11Fs for a total of \$6 billion. Within the next few years, the Singapore national airline will more than double its current fleet of 70 passenger and cargo planes at an estimated cost of \$15 billion.

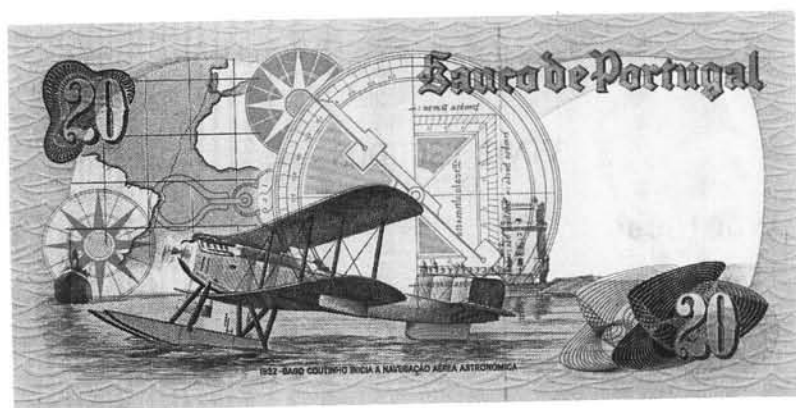
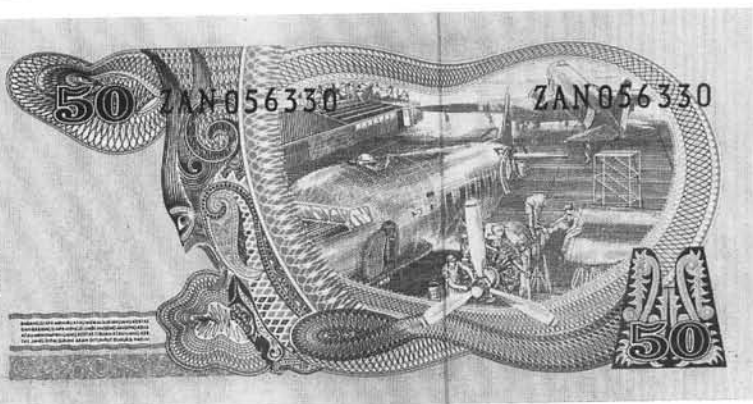
Tony Jannus established the first regular airline service in 1914 between St. Petersburg and Tampa in Florida. Using a small seaplane which had room for only one passenger, the charge for the 22-mile flight was \$5. In 1919, there were about 20 airline companies in Europe. One of these airlines, founded in France by Henri and Maurice Farman, offered the first regular international service with weekly flights between Paris, France and Brussels, Belgium. Many of the airline companies established in Europe in the 1920s are still operating today (such as KLM, Lufthansa, QANTAS, and SABENA). In 1924, Great Britain was the first to form a national, government-owned airline: Imperial Airways. In the 1920s, the United States government's interest in aviation was mainly to improve air-mail service. In 1926, Henry Ford's airline, National Air Transport (NAT), became the first airline to carry U.S. mail. NAT became part of United Airlines in 1931. By 1935, there were four major domestic airlines in the United States: Transcontinental and Western Air (later called Trans World Airlines, TWA), United, American, and Eastern; one international airline: Pan American World Airways; and several small regional airlines: Delta, Northwest, and Braniff. Today, there are many international, national and regional carriers connecting world cities and communities together. All U.S. airlines are privately owned. In other countries the government owns one or more airlines (for example, QANTAS Airways is owned and operated by the Australian government).

The Dornier Do X German "flying boat," with twelve engines carrying 150 passengers was the largest plane in 1929. The Boeing 314 Clipper seaplanes started regular passenger service across the Atlantic in 1939. The British De Havilland Comets planes began the world's first large commercial jetliner service in 1952. American Airlines started the first transcontinental jet service in 1958 between New York City and Los Angeles using the Boeing 707 airplanes. The world's first

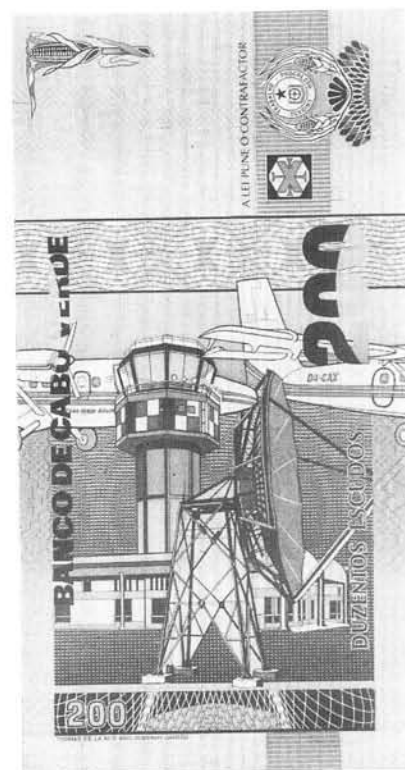
commercial jumbo jet, the Boeing 747, was introduced into service by Pan American World Airways (Pan Am) in 1970. This four-engine jet airplane can fly nonstop more than 6,000 miles at altitudes higher than 40,000 feet. It has room for up to 500 passengers (served by six galleys and twelve washrooms), carries more than 47,000 gallons of fuel, and has a takeoff weight of over 700,000 lbs. In 1968, the Soviets introduced the world's first SuperSonic Transport (SST), the Tupolev Tu-144. It began cargo service in 1975 and passenger service in 1977, but was discontinued in 1983. The Concorde, a delta-winged SST developed jointly by Great Britain and France, made its first test flight in 1969 and began commercial flights in 1976. It can carry 132 passengers in comfort between Europe and America in four hours. In the United States, Boeing had to abort its work on an SST in 1971 due to lack of funding for the costly project.

The urgent necessities of World War I forced the design and construction of specialized military planes. The United States entered the war with 110 military planes and built almost 15,000 by the end of the war. After the war, a large number of airplanes were made available to the public for civilian use, which greatly advanced the development of aviation. On September 1, 1939, German military airplanes attacked Poland and World War II began. In 1939, the United States produced 2,100 military planes. By the end of the war, more than 40 U.S. factories had produced more than 300,000 aircraft. Other countries involved in the war also produced hundreds of thousands of planes. Today, almost every national armed force includes an airforce. Military aircraft include strategic bombers, fighter bombers, fighters, reconnaissance aircraft, transports, tankers, and special mission planes. The American B-1B strategic bomber can fly a distance of 7,500 miles without refueling, at a speed of 1.25 Mach (1 Mach is about the speed of sound which is approximately 760 miles per hour at sea level), and the F-111 fighter bomber has variable-sweep wings and can fly at a speed of 2.5 Mach. The B-52 Stratofortress, the principal long range heavy bomber used by the United States Air Force, can deliver nuclear bombs to any place in the world. Three of the widely-used fighters are the American F-14 Tomcat, the French Mirage and the Russian MIG-21; they carry cannons, missiles, and rockets and can fly at a maximum speed of about 2 Mach. Transports carry personnel and equipment; the largest include the American C-5A which can rush 132 tons of troops and equipment over a distance of 5,000 miles without refueling, and the Russian Antonov An-124 which can carry 165 tones. Special mission planes include remotely piloted vehicles (RPV's) used to interfere with enemy radar and electronic equipment. Reconnaissance planes gather data and information. The American SR-71 "Black Bird" plane can fly at speeds in excess of 2,500 miles per hour at altitudes of about 120,000 feet. Aircraft carriers are warships used as mobile bases for jet bombers, fighters and other types of military airplanes. The American *Nimitz* is the largest; it is nuclear-powered, has a length of 1,092 feet and a width of 252 feet, and can carry about 90 aircraft and 5,700 crew members.

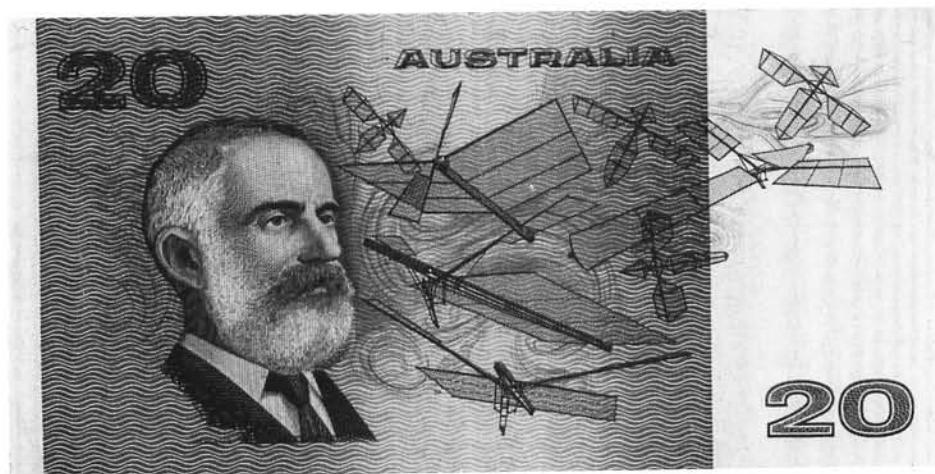
An airport is a place where aircraft take off and land. Large airports have specially constructed runways to accommodate a wide range of aircraft, personnel and equipment for aiding air-traffic operations, facilities for passengers and cargo, and hangars for aircraft storage and repair. Major airports are like small cities; they may have their own police force, fire depart-



Indonesia P107

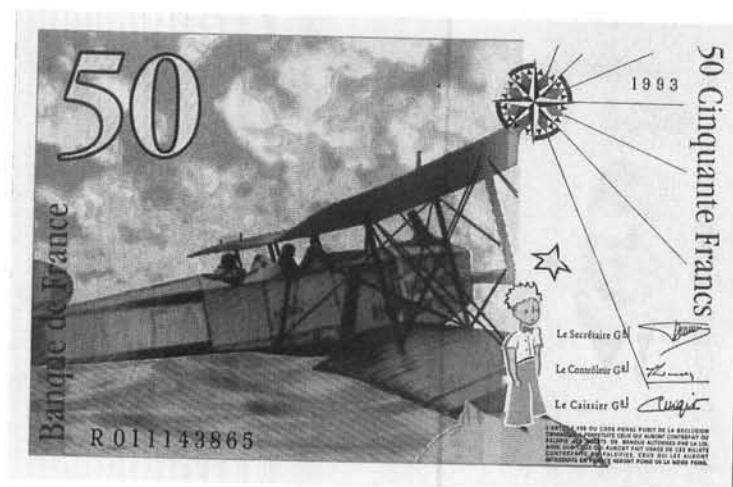


Lithuania P47

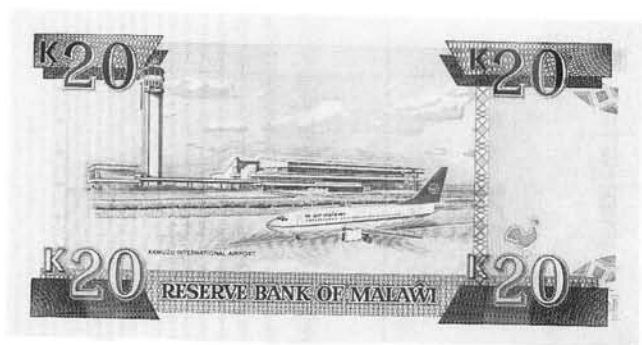




Kenya P22.



China P861.



Country	Denomination	Date	Description, Pick No.
Algeria	100 dinars	1.11.1970	Airport in the center on face, P.56
Angola	50 escudos	15.8.1956	Airport on face, P.88
Australia	20 dollars	ND(1974)	Early kites on back, P.46
Bahrain	5 dinars	Law of 1973	Bahrain Airport on back, P.14
Brazil	10,000 cruzeiros	ND(1966)	Dumont on face and his early plane on back, P.182A
Cape Verde	200 escudos	20.1.1989	Modern airport collage on back, P.58
China	25 yuan 2 fen	1941 1953	Plane at center on face, P.160 Airplane at right on face, P.861
Congo Republic	1000 francs	1983	Planes on back, P.3
Ethiopia	5 dollars	ND(1966)	Airport and airplane on face, P.26
Fiji	5 dollars	1995	Airport on face, P.NL
France	50 francs	1992	Biplane on back, P.89
Indonesia	50 rupiah 50,000 rupiah	1968 1993	Airplane factory on back, P.107 Airport and Boeing 747 airplane on back, P.133
Iran	200 rials	SH1337(1958)	Airport on back, P.70
Northern Ireland	100 pounds	1.11.1990	Airplanes and ejection seat on face, P.197
Kenya	50 shillings	1.6.1980	Airplane flying over Jomo Kenyatta Airport, P.22
Laos	500 kip	ND	Soldiers shooting at planes on back, P.24
Lithuania	10 litu	1991	Aviators S. Darius and S. Girenas on face, monoplane "Lituanica" on back, P.47
Malawi	20 kwacha	1968	Airplane at Kamuzu Int'l Airport on back, P.22
Mozambique	1000 escudos	23.5.1972	Two men in cockpit of airplane on back, P.115
Netherlands Antilles	2½ gulden	8.9.1970	Large jetliner on face, P.16
Netherlands Indies	100 gulden	2.3.1943	Pilot and fighter plane on back, P.117
Peru	10 nuevos soles	1.2.1991	Plane as monument and pilot on face, biplane ca. 1939 inverted on back, P.151
Russia	5 rubles	1938	Aviator and plane at left on face, P.215
Saudi Arabia	1 riyal	AH1379(1977)	Plane flying over airport on back, P.16
Singapore	20 dollars	ND(1979)	Concord flying over airport on back, P.12
South Vietnam	5 dong	1966	Soldiers with downed helicopters on back, P.42

ment, medical facilities, shops, hotels, restaurants, movie theaters, banks, office complexes, business services, bus lines, subways, weather stations, sewage treatment plants, public areas, storage houses, travel agents and airline ticket offices. Since an airport requires a large area of land (hundreds of times bigger than bus and train stations), it is usually built outside of populated areas. One of the largest airports in the world, King Khalid International Airport near Riyadh in Saudi Arabia, covers more than 55,500 acres. The Dallas-Fort Worth Regional Airport in Texas, USA covers 17,500 acres. Modern airports are massive and expensive projects that require years to plan, design and build, and cost billions of dollars. In the late 1920s, the United States had approximately 1,000 airports; today, there are more than 17,000 airports. About two thirds of the airports in the U.S. are private—the rest are public. Private airports are operated by individuals, companies, special commissions, or independent authorities. The Washington National and Dulles

International Airports are two of the public airports owned and managed by the Federal Aviation Administration (FAA). The Chicago-O'Hare International, Hartsfield International (in Atlanta) and Los Angeles International airports each handle more than 40 million passengers and hundreds of thousands of aircraft take-offs and landings each year. After years of dispute, Britain and China have finally reached an agreement on the financing of Hong Kong's new 20 billion dollar airport, to be open in 1998. Other major airports also serve millions of passengers in cities around the world.

In 1908, Kissimmee, Florida passed the world's first law regulating airplanes. Today, many local governments and almost every state has an aviation agency. The Federal Aviation Administration (FAA) sets the aviation rules and makes regulations concerning air safety in the United States. The International Civil Aviation Organization (ICAO), an agency of the United Nations that includes many member countries,

coordinates matters concerning international aviation. Lt. Thomas Selfridge was the first person to be fatally injured in an airplane accident in 1908. He died two hours after the plane carrying him and Orville Wright crashed during a demonstration flight. Airplanes today are the fastest, and safest means of long distance transportation. Reportedly, the chance of a person getting fatally injured in an airplane accident is less than 1 in 100,000,000 which is considerably better than that for an automobile.

The first air freight shipment in history was probably the 70-lbs silk package delivered by the Wright brothers from Dayton to Columbus, Ohio in 1910. Today, airmail is the fastest way to send letters and parcels throughout the world. The Federal Express company delivers about 2.4 million packages a day worldwide. It began operations in 1973, and had revenues of \$9.4 billion in 1995. It employs 115,000 people, 517 planes, 35,000 vehicles, 31,500 drop boxes and serves 210 countries.

Air shows and festivals are exciting events regularly held in many cities around the world. Many schools, colleges and universities offer specialized aviation studies. Millions of people work in the various fields of aviation worldwide.

Aviation is a popular topic depicted on stamps, coins and paper money of many countries. The Royal Canadian Mint, for example, continues to chronicle the country's aviation history with a ten-coin series titled "Powered Flight in Canada—Beyond World War II" introduced a few months ago. In an article by Gene Hessler titled "Airplanes on Banknotes—A Trial List" published in the *International Bank Note Society (I.B.N.S.) Journal* (Volume 22 No. 3, 1983), there is a list of banknotes from 15 countries depicting airplanes with interesting and informative details concerning some of the notes listed. This paper includes a list of notes depicting aviation in general from 27 different countries and issuing authorities. All notes listed are referenced by Pick Nos. to the seventh edition of the *Standard Catalog of World Paper Money* (Krause Publications, Iola, WI). Typical aviation themes depicted on paper money include airplanes, airports, and aviators. Illustrated as part of this article are notes from several countries. It is fascinating to note that the earliest paper money, in the normally accepted meaning of the term, which originated in China during the beginning of the 9th century, due to the featherweight lightness of the paper, bore the name of "fei-ch'ien" or FLYING MONEY! ■

THE BASICS

by BOB COCHRAN

WHAT ARE "ALTERED," RAISED," AND "SPURIOUS" NOTES?

An "ALTERED" note can appear in three forms: issued notes which have been modified so that they appear to be issued by

another bank or company; remainder (unissued) notes from a bank or firm that failed, which have been altered as above; and finally, notes issued from the plates that remain from a failed or closed bank which have been altered.

During the period we're covering here, 1782 to 1866, remember that all of the paper money was produced by private bank note companies. These firms often created specific vignettes (designs), portraits in the form of "slugs," or pieces that could be inserted into a larger plate design. Their customers (banks and other firms that planned to issue notes) were furnished with sample designs to select from (see the section on "PROOF NOTES"). Many banks and other companies chose similar plate layouts.

The counterfeiters, thanks often to the various "Detectors" and "Reporters," were constantly on the lookout for notes of similar designs. If a sound bank in Rhode Island, for example, issued notes that were readily acceptable at par, they would seek out notes of a similar design from a bank whose notes were perhaps traded at a discount, or even better, a bank that had closed. It was an easy task to purchase the latter classes of notes from brokers, and alter them. Examples exist where the pertinent information on the worthless notes had been eradicated and replaced by the same title and location of the sound bank.

"Remainder notes" are relatively common. Many banks ordered large quantities of notes to be printed and delivered, but for any number of reasons these notes were never issued. Since the unissued notes were "worthless," they often made their way into the hands of counterfeiters. The notes were altered and forged signatures were added, and they were passed on to an unsuspecting public.

A similar situation arose when the plates used to print notes of a bank that eventually went out of business provided counterfeiters with the opportunity to create altered notes. They simply modified the plates to create copies of the notes of sound banks, added signatures and passed the notes. This latter class of notes was very deceptive, since they could only be detected by comparing the signatures to those of the genuine notes!

A "RAISED" note is one that has been altered to depict a higher denomination. It is accomplished by obliterating the values and replacing them with higher ones, such as turning a \$1 note into a \$10 note. Unless the work on a note was very shoddy, or the prospective recipient could compare it to a genuine one, these notes were easily passed.

A "SPURIOUS" note is one that is a copy, but not an EXACT copy, of a genuine note. For example, a genuine \$20 note from a particular bank might have a portrait of Andrew Jackson at one end and George Washington at the other. A "spurious" note would be a \$20 from that same bank, but with portraits of Thomas Jefferson and John Adams (or anyone else). In other words, a spurious note is one which bears no resemblance to genuine notes of the same denomination (from the same bank).



Read Money Mart



THE PRINTER'S DEVIL BANK NOTE



by FORREST W. DANIEL

HUNDREDS of vignettes and allegories of early nineteenth century American commerce and industry are represented on state bank notes. Most were chosen to illustrate a dominant factor in the local economy. While almost every town with a bank also had a newspaper office, it was often a small, one-man operation without great economic prestige in the community. So, perhaps, it can be expected that few bankers chose to honor the printing craft on their bank notes. But the few bankers who chose printing vignettes may have risen to their lofty estate after having served an apprenticeship as printer's devil and journeyman printer, as have so many others into law, politics and literature. And the anonymity of the printer's devil is preserved on his note.

The Nassau Bank, incorporated in New York City on November 1, 1852, chose for their \$1 note a design depicting four printers and some of their tools. A wreathed portrait of the revered paper money printer Benjamin Franklin, himself a former printer's devil, appears in the lower left corner. The central vignette portrays "Gutenberg [sic] flanked by Faust [sic] and Schoeffer," who alone wears a folded-paper printer's hat, surrounded by type cases, a press (of questionable nineteenth century design) and other equipment of a printing office. In the background (as he does in so many print shop pictures) stands the anonymous printer's devil, to whom the note is actually dedicated. The pose of the printer's devil is the nearest of all to reality, since the portrayal of the three "founders of modern printing" is strictly artistic imagery.

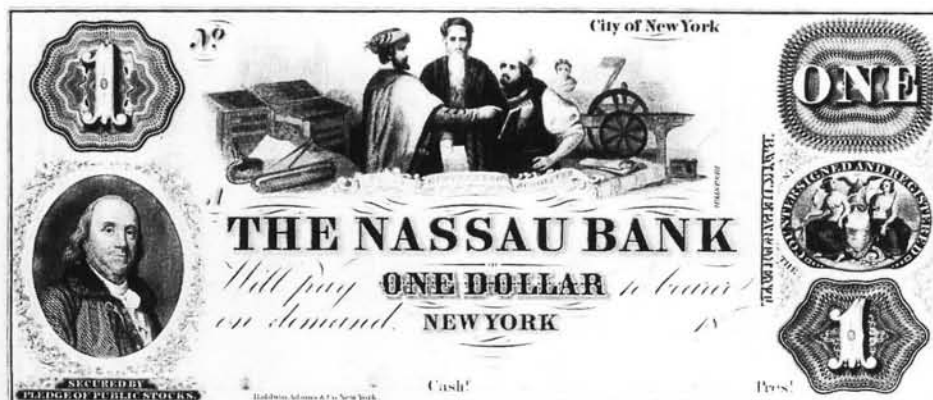
Johann Gensfleisch zum Gutenberg is credited with the invention of movable metal type while in political exile in Strasbourg about 1439. His first types were carved from wood and had a tendency to break; so, when cutting type out of metal proved to be impractical he invented a brass mold to cast individual metal letters in quantity and uniformity. His typeset

was based on the fine calligraphy used in the manuscript books of the fifteenth century. The craft of letterpress printing arose almost fully developed from Gutenberg: his metal was an alloy of lead, tin and antimony; the ink he formulated specifically to adhere to the metal type was composed of lampblack and boiled linseed oil—both practically the same formulas used today; and the printing press he fabricated from a wine press remained basically unchanged for more than three centuries.

Gutenberg developed his equipment and was ready to set up a commercial printing shop in Mainz, Germany in 1450. He went to money lender Johann Fust and borrowed 800 gulden at six percent interest. In 1452 he borrowed another 800 gulden and took Fust as a partner in the production of books. Work was begun on what came to be known as the Gutenberg (Mazarin) 42-line Bible. Fust foreclosed the loan in 1455 and took possession of Gutenberg's printing equipment and the already printed pages of the unfinished bible. The ousted Gutenberg eventually secured other backing and established a press away from Mainz and published fifty or more books and pamphlets before he died hopelessly in debt in 1468. Johann Gutenberg, in his later years, became attached to the court of Adolph of Nassau, Archbishop of Mainz, in 1465 and received a pension of clothing, grain and wine.

Fust and his son-in-law, Peter Schoeffer, who had been an employee of Gutenberg, continued the printing business and proceeded to finish the Bible and reaped all the proceeds. Between 1455 and 1466 Fust and Schoeffer produced more than a hundred books, including the first to be dated and signed and the first to be printed in colors.

In 1462 Diether, Archbishop of Cologne, published an official manifesto denouncing Count Adolph of Nassau. The document proved to have been printed in Mainz. To redress the insult, troops of Adolph of Nassau (titled Archbishop in many



The Printer's Devil Note issued by The Nassau Bank, New York, 1852-1911. These notes signed by H. Blydenburgh, president, and F.M. Harris, cashier, were raised to \$5s and \$10s.

references) sacked the city of Mainz and banished the printing trade. The workmen scattered and spread their craft to other cities and countries and the generic journeyman printer began five centuries of errantry. Two of those printers, Conrad Sweynheym and Arnold Pannartz (former printer's devils, of course) crossed the Alps three years later and established a press at Subiaco, Italy, the first outside Germany.

Although he was not the first printer in Venice, Aldus Manutius found a patron and established the Aldine Press in 1494. Manutius was a scholar who hoped to use printing to inspire broader interest in, and the preservation of, classical wisdom through printed books. He also commissioned the roman and italic type faces which are the basis of modern lettering. Aldus is the legendary coiner of the term "printer's devil."

The Origin of the Term Printer's Devil

Everybody knows who is the Printer's Devil, but there are few who know how he came to be so dubbed. Printing used to be called the Black Art, and the [inky] boys who assisted the pressmen were called imps. According to the legend, Aldus Manutius, a printer of Venice, took a little negro boy, left behind by a merchant vessel, to assist him in his business. Aldus was soon assisted by a little black imp, and to dispel the rumor, he showed the boy to the assembled crowd and said, "Be it known to Venice, that I, Aldus Manutius, printer to the Holy Church and the Doge, have his day made a public disclosure of the 'printer's devil.' All who think he is not flesh and blood, may come up and pinch him." The people were satisfied, and no longer molested the negro lad.—Bismarck (Dak.) *Weekly Herald*, May 26, 1883.¹

Before a boy became a printer, a title he would claim for life, he had to pass the rigors of a term as the printer's devil, a period which was an initiation ceremony into "the art preservative of all the arts."



This artwork honors William Bradford. (See *New York's First Currency Printer* by G. Hessler, *PAPER MONEY* No. 64, p. 183.) As you can see, the image of the printer's devil is prominent.



Detail of the print shop vignette.

Learning the Printing Biz

When a boy starts to work in a printing office, he is immediately made manager of the broom. He also carries wood and water until his back aches, but he gets a ticket to the circus and is never absent from an "Uncle Tom's Cabin" show. After he has wiped up the job press and gone after the mail he is given a piece of reprint and an old composing stick, an advertising dash for a rule, and is set to work.

If he is a smart boy he learns the business in about two weeks, when he throws a handful of long primer type into a brevier case, and after the foreman pies three handfuls trying to make up the paper with mixed type, the young man's printing office knowledge unravels to the starting place, and even back of that. A few sad days follow, but soon he works himself up into the A class, when he is sent to the "other office" for a round chase, or a handful of lower case periods. He soon has his desire to feed the job press gratified, but after he has run the grippers on the type and put the best font in the office out of business, he has another reverse after listening to the following words,

"-----"

The really bad day in the printing office is when the office cat goes to sleep on the local page and is run thru the press. The cat will stop the press, unless the press stops the cat. A cat is said to have nine lives, but a Babcock press can shorten that up a few lives if the gasoline [sic] engine behind it is good and angry. It is the boy's fault, of course, that the cat was allowed to seek sleep on the best page of the paper. He might have been out for benzine at the time, but the duty of scraping the remains off the type awaits him on his return, and a communication by the foreman, published orally, accompanies the work.—Grafton, N.D. Record.—*The Dogden* (N. Dak.) *News*, Jan. 16, 1909.¹

When the boy survived the indignities dealt to the printer's devil he qualified to become an apprentice for a fixed number of years. He learned all the skills necessary to perform the craft in a workman-like manner; he also picked up some tricks of the trade from itinerant printers who spent more or less time in his shop. When he was deemed competent, he became a journeyman qualified to earn top wages in any print shop. Many journeymen were travelers, short-termers in any shop; in the United States "tramp printer" was a common term for us.

Until the 1890s compositors set all type by hand; but when Ottmar Mergenthaler's Linotype machine brought mechanical typesetting to the printing office, many of the old timers were unable or chose not to convert to the new method. And when phototypesetting and computers replaced the mechanical wonders of the nineteenth century, the craft of Gutenberg, Franklin and the printer's devil disappeared and more of us left the printing trade.

The journeyman printer, standing at his case setting type letter by letter, is

the subject of at least two bank notes. The vignette on the \$2 "Washington County Script." [sic] issued in Brenham, Texas, Sept. 6, 1862, shows a compositor standing stiffly at his case setting type. The press in the background is very similar to the Peter Smith hand press patented in 1822. The type and decorations were hand-set and the note may have been printed locally. There is a red-orange tint "TWO" on the face and a faint green "TEXAS." in an ornamental border on the back. The following story may have been written about the Texas printer in that vignette:

The Traveling Typo

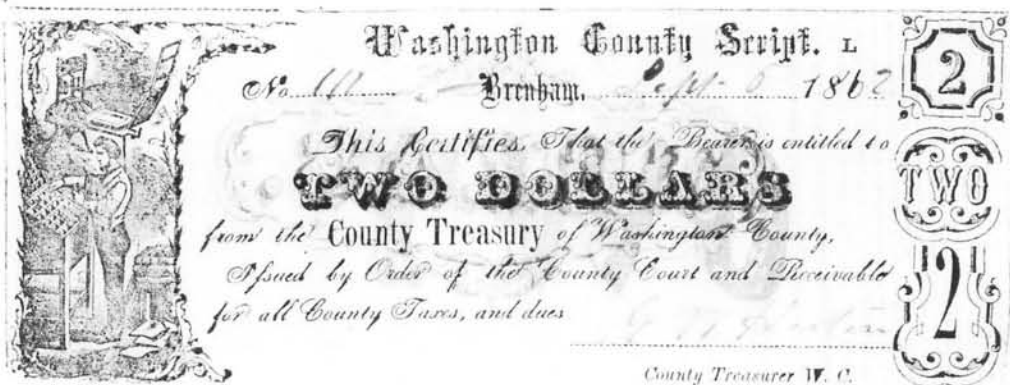
The following pathetic remarks about the conventional tramp printer are so peculiarly apt and beautiful that we reproduce them from the *Palestine* (Texas) *Advocate*:

He walked silently in. We knew him the moment we raised our eyes and saw him standing there. In fact we were expecting him; he always comes when we are in just such a strait and needing him. He always wears the same style of clothes—coat of one kind and pants of another, he hasn't any vest, his shoes run down at the heels, and his hat is battered and dusty. There are spots of ink about his shirt, which hangs over his waist band, and his new paper collar is the only fresh, white thing about him, and it looks as though he had just put it on with soiled fingers.

He is pale, weak-eyed, and prematurely gray-haired; he looks as though he had never known regular hours, either for sleeping or eating, and he must have come thousands of miles and been coming ever since he was a boy. His starting point was so far away, and so long ago, that he has almost forgotten when or where it was; but we have an idea that it must have been when his mother buttoned his little blue shirt-band around his white boyish throat, put on his little straw hat and sent him in the printing office.

How proud he was when he went home that first night and showed his new brass rule, and tells mother he has learned all the boxes and has a free ticket to the circus next week, and the editor had gave [sic] him a big piece of wedding cake, a part of which he brought home for the baby, and if he can set a column in one day next week he can go fishing on Saturday. Yes, somewhere about there was the commencement of his journey, and here he is now, perhaps two-thirds on his way.

He asks us: "What is the show for a sit?" We give him a case, and by and by he says he feels faint, and asks us if we



Journeyman printer at case setting type, hand press in the background. Green back print shows through red overprint.

can't lend him a quarter—he haint had any breakfast yet. We know his weakness [strong waters], and, as we need his work, we go down with him and order some breakfast for him at the nearest restaurant. When he comes back he looks happier and better able to go to work. In the evening when he goes to distributing [type in] his case, he recounts the history of his late places of employment. He knows the circulation and amount of business of every paper in the state, and why the *Dispatch* suspended and why the *Advance* sold out to the *Courier*.

He is well acquainted with the unknown editor of the *Thunderer*, and has friends on the editorial force of all the leading journals of the country. By and by he whistles low an air from Italian opera, and in reply to a question answers with a Latin quotation. He stays with us a week, and we grow to like him more and more every day. He has read everything from Shakespeare to Ruskin to Mark Twain and Bill Arp; he knows more about our laws, national and state, than the best lawyer in the city; he is well acquainted with the lives of every prominent person of the age, and is a perfect encyclopedia of current events; but we cannot afford to keep him any longer, so we pay him off and he again starts on his long road that leads—not to home, for he has none—not to the society of intelligent people like himself, for outside the printing office he is unknown; he may go back to night work on some city daily, or if too worn and old for that, a rapid descent from one country office to another, with whiskey and laudanum for companions, to an unmarked grave by some lonely wayside.—*Bismarck & Mandan (Dak.) Daily Advertiser*, June 25, 1883.¹

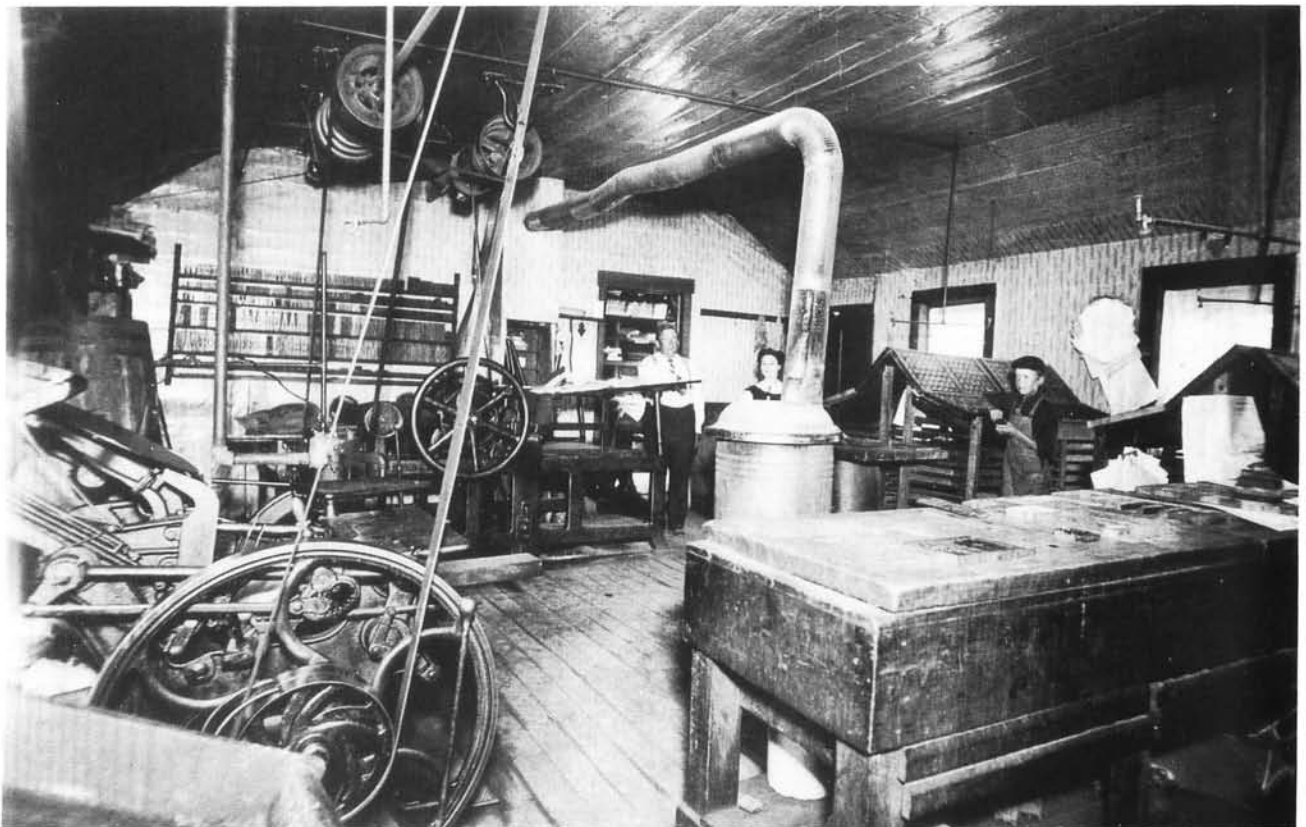
A typesetter in a more relaxed pose at his type case is pictured on the \$20 note of The Bank of North Carolina (established Nov. 1, 1859, liquidated 1865). The note also has portraits of George Washington and John Marshall, two agricultural scenes and an overall orange tint with the white denomination outlined. While the printer is not the central theme of this note, he does rank alongside patriots and the state's economy.

Nicholas Jenson

Documentary evidence of Gutenberg's activities as a printer is scanty and it is unrecorded who were the first printers trained by Gutenberg; but surely they were craftsmen with other skills useful to him. Die cutters and sinkers, for example, and men experienced in casting and working metal alloys; Gutenberg himself was a goldsmith. We do, however, know the name of one man sent to Mainz to learn the secrets of the craft. There is a sixteenth century transcript of a document of the French royal mint, dated October 4, 1458, which states that the king, Charles VII, having heard that Johann Gutenberg had developed a new form of printing, ordered the director of the mint to select a man to go secretly to Mainz to learn the new art. The man chosen was Nicolas Jenson, a die cutter (mintmaster in some references) at one of the French mints—Tours or Paris. By the time Jenson learned the craft and was prepared to return to France Charles VII had died and Louis XI changed policy and personnel, so Jenson didn't return. He later designed beautiful roman type faces and became a printer in Venice.

The Nassau Bank

The Nassau Bank was established as a free bank in the City of New York in 1852 and remained a state bank until March 1911



The printer's devil was included in most print shop photographs; here Printer's Devil Vernon Thompson (right), with G.C. Thompson and Rose LaFord in the office of The Pioneer Express, Pembina, N.D., 1912. The press is remarkably similar to the one in the vignette on the note. (Courtesy State Historical Society of North Dakota.)



This modern advertising piece produced by De La Rue Giori includes a portrait of Gutenberg. (ed.)

when it became The National Nassau bank, Charter 9939.² The only examples of the \$1 printer's devil note appear to be proofs released from the American Bank Note Company Archives. The continued existence of the bank certainly contributed greatly to the redemption of its circulating currency; but most of its notes were actively withdrawn following the suspension of specie payments by New York banks on December 28, 1861. The Nassau Bank had \$146,874 outstanding on that date. By March 15, 1862—the date the United States legal tender notes were released—its circulation was only \$58,080; and quarterly reports show further declines to a mere \$10,532 on March 28, 1863. Only a few other banks in the city show such radical contraction in that period. Superintendent of the State Banking Department H.H. Van Dyck reported that a few banks continued to redeem their notes in coin following the suspension. That may well be the case with the Nassau Bank: they redeemed in coin and retired their circulation.

The Nassau Bank had another and more substantial connection with the Nassau lineage than the vignettes of printing—Franklin, Gutenberg and the printer's devil on its \$1 bill. The Nassau Bank, as well as the county and city of Nassau in New York, was named in honor of the ruling family of the Netherlands and its North American colony on the island of Manhattan and the surrounding area, the House of Orange-Nassau. The Dutch brand of the Nassau line, however, was formed many years after Adolph, Archbishop of Nassau, chased the printers and the printer's devil out of Mainz.

Other Printer's Devil Notes

(With Gutenberg, Fust, Schoeffer and printers devil.)

- \$3 THE EAST RIVER BANK, New York, New York, 1852–1865, converted to East River National Bank. 1. female portrait; r. state arms. (Haxby G10).
- \$3 THE EAST RIVER BANK, New York, New York, 1852–1865. 1. girl shading her eyes, r. state arms. Orange underprint with outlined white denomination. Bald Cousland, ABNCo. (Haxby G12, SENC. Proof, Lot 1013, Currency Auctions of America, June 17, 1995.)
- \$3 THE EAST RIVER BANK, New York, New York, 1852–1865, same as preceding except ABNCo. imprint. (Haxby G12b, SENC.)
- \$3 SAFETY FUND BANK, Boston, Massachusetts, 1859–1864, became the first National Bank of Boston. Small eagle, r. ABNCo. imprint. (Haxby G6A red overprint.)
- \$3 As above with THREE outlined in green. G66.
- \$3 COMMERCIAL BANK OF TROY, New York, 1839–1863, Baldwin, Adams & Co. Portrait r. G14a. As preceding July 1, 1858, ABNCo added, green tint. (G14b.)
- \$20 THE BANK OF YANCEYVILLE, Yanceyville, North Carolina, 1852–1866. Portraits of Washington and Pierce.
- \$50 THE PITTSFIELD BANK, Pittsfield, Massachusetts, 1853–1865, converted to Pittsfield National Bank. r. Portrait, June 1, 1853. Baldwin, Adams & Co. (Haxby G22a, proof.)
- \$50 THE PITTSFIELD BANK, Pittsfield, Massachusetts, same as preceding except June 1, 1857, red-orange over-all tint with outlined white 50. Bald, Cousland & Co. (Haxby G22c, proof. Included in proof sheet Lot 2327 R.M. Smythe & Co., Inc., September 11, 1995.)
- \$50 THE PITTSFIELD BANK, Massachusetts, same as preceding except ABNCo imprint. (Haxby G22d, SENC.)

I would appreciate receiving references to any other bank notes with vignettes of the printing trade. Write to me at 416 N. 13th St., Bismarck, ND 58501-4615.

Endnotes

1. Selected from *With Scissors and Paste: The Scrapbook of Printing Love and History*, unpublished by Forrest Daniel.
2. The National Nassau Bank was placed in voluntary liquidation on June 18, 1914, and was absorbed by the Irving National Bank of New York.

SOURCES

- Butler, P. (1940). *The origin of printing in Europe*. Chicago: University of Chicago Press.
- Chappell, W. (1970). *A short history of the printed word*. New York: Dorset Press.
- Larned, J.N. (1901). *History for ready reference*. Springfield: C.A. Nichols Co.
- McMurtie, D.C. (1943/1989). *The book: the story of printing & bookmaking*. New York: Doreet Press.
- Steinberg, S.H. (1955). *Five hundred years of printing*. Edinburgh: Penguin Books.
- Sutton, A.A. (1948). *Design and makeup of the newspaper*. New York: Prentice-Hall, Inc.
- Thompson's Bank Note and Commercial Reporter. (April 2, 1866.) New York.
- Annual report of the Secretary of the Treasury on the condition of the banks in the United States, at the commencement of the year 1863. (1863). Washington: GPO.

A

CONFEDERATE NATIONAL BANK NOTE

by CHARLES A. DEAN

There is, of course, no such thing as a Confederate national bank note. I use this term to refer to a national bank note issued during the Civil War by a national bank in a Union-occupied Confederate state.

WHEN the Civil War began in 1861, both the North and the South sought a means to finance the war. The Confederate States sold bonds and circulated paper money, some of which bore interest. In an unusual scheme to raise money in Europe, the South sold bonds with a convertibility clause. The bonds were convertible to cotton at the option of the bearer upon redemption. As the war wore on, the South became more desperate for money and simply turned to running the printing presses.

The United States also sold bonds, and for the first time in its history starting issuing paper money. The first circulating federal currencies were the demand notes of 1861, followed by legal tender notes of 1862. Also issued were compound interest treasury notes and interest bearing notes. Union successes on the battlefields required increasing amounts of capital. In order to facilitate the selling of bonds, Congress passed the National Banking Act of February 25, 1863. This act enabled the U.S. government to grant national charters to banks for a period not to exceed 20 years from the date of the Act. The Act of June 3, 1864 specified a 20-year charter period beginning on the date of organization of the bank. These banks were then allowed to issue their own bank notes, up to 90 percent of the par value of the U.S. bonds which they had deposited with the U.S. Treasury, as security for the national bank notes to be issued. The first bank chartered under this act was the First National Bank of Philadelphia, Pennsylvania, granted charter 1 on June 30, 1863. The initial national bank notes were called First Charter Period notes and were first placed in circulation in late December 1863.

As Federal armies gained control of Confederate territory, efforts were made to re-establish Union influence, both politically and economically. To this end, national banks were organized in captured Confederate cities. There were eight national banks that were chartered in Confederate states before the end of the Civil War:

The First National Bank of Nashville, Tennessee, issued charter 150 in December 1863.

The First National Bank of New Orleans, Louisiana, organized on December 18, 1863 and granted charter 162.

The First National Bank of Norfolk, Virginia, organized on February 23, 1864 and granted charter 271.

The First National Bank of Memphis, Tennessee, issued charter 336 in March 1864.

The First National Bank of Knoxville, Tennessee, issued charter 391 on April 19, 1864.

The First National Bank of Alexandria, Virginia, issued charter 651 in December 1864.

The Second National Bank of Nashville, Tennessee, issued charter 771 on January 31, 1865.

The National Bank of Vicksburg, Mississippi, issued charter 803 on February 14, 1865.

By the end of the Civil war, the economy of the South had almost completely collapsed. Many cities and towns were badly damaged, farms were in ruins, bridges and railroads had been destroyed, and many people had to try to find enough food to last until new crops could be harvested.

The Reconstruction policies of the radical Republicans in Congress helped keep the South far behind the North, economically, for almost the entire duration of the First Charter note issuing period of 1863-1902. As a result, First Charter Period national bank notes from all the southern states are rare, with only about 200 notes known to have survived. The earliest First Charter Period notes of the Original series issued from 1863-1875 are even rarer, with only about 75 notes known today, with almost all of these having been issued after 1869. How many of the so-called Confederate national bank notes exist? To the best of my knowledge, only one note that was placed into circulation over 130 years ago has survived. A lone \$10 Original Series national bank note issued by the First National Bank of Knoxville, Tennessee, charter 391, remains from a unique period in our nation's history.

Knoxville

Arriving in 1786, James White and his family were the first permanent settlers in what is now the Knoxville area. At that time, the region that is now Tennessee belonged to North Carolina. In 1790 North Carolina ceded her western lands to the United States government. Congress organized this area as "The Territory of the United States South of the River Ohio." William Blount was appointed governor of the new territory and he named White's settlement, Knoxville, in honor of Secretary of War Henry Knox. Knoxville served as the capital of the new territory. On June 1, 1796 the territory that had been popularly known as "the Southwest Territory" became the State of Tennessee, with Knoxville serving as the capital until 1812. Knoxville was incorporated on October 27, 1815. About this time, a number of publishing houses were established in Knoxville, helping to make it an important publishing center within a few years. The capital returned to Knoxville briefly in 1817, but was finally moved to Middle Tennessee because of the expanding western population and because of the growing political influence of Andrew Jackson after his victory at the Battle of New Orleans on January 8, 1815.

Because several local politicians quarreled with Jackson, who was a Democrat, during the 1820s and 1830s, the Knoxville area became an anti-Democratic stronghold. By the mid-1830s, the Whig party was firmly established in East Tennessee.

The steamboat *Atlas* reached Knoxville in 1828 and regular steamboat service was started in 1835 during the high water season. Franchises for city water and gas were contracted-for in 1854 and at about the same time, city streets were paved with cobblestones dug from the Tennessee river. The first railroad came to Knoxville in 1855 when the East Tennessee and

Georgia began service, with the East Tennessee and Virginia starting service the following year. In 1858 the railroad was completed from Bristol, Virginia to Dalton, Georgia.

Knoxville, in the 1850s, became a melting pot with French-Swiss seeking religious liberty migrating there, Germans moving there from surrounding areas, and Irish arriving to help build the railroads.

By 1861, because of the mountainous terrain of East Tennessee, which lent itself to small farms instead of large plantations, East Tennesseans had a different political view than the rest of Tennessee and most of the South. East Tennesseans, as a rule, believed in slavery and state's rights, but the Union was sacred.

After the Confederate firing on Fort Sumter on April 12, 1861 and President Lincoln's call for 75,000 troops, the Tennessee legislature, on May 6th, passed an Ordinance of Secession and submitted it for ratification by a vote of the people on June 8, 1861. Meanwhile, a convention of East Tennessee counties was called, and assembled at Knoxville on May 30. The convention was in session two days and adopted resolutions protesting recent acts of the Tennessee legislature, which favored the Confederacy, and appealing to the people of Tennessee to vote against secession. On June 8 Tennesseans voted for secession, by an over 2-1 majority, while East Tennessee voted overwhelmingly against it. However, Knoxville voted for secession. The East Tennessee convention reassembled at Greenville for four days starting on June 17 and talked of forming a new state loyal to the Union, along the same lines as was being done in the western counties of Virginia. Accordingly, a petition was drafted and presented to the Tennessee legislature asking for separate statehood. The legislature quickly dismissed the petition. Soon afterwards, many East Tennessee Unionists joined the Federal army.

On July 26th Brigadier General Felix K. Zollicoffer was assigned command of the Confederate Department of East Tennessee. At first, he was lenient toward the Union majority, but after a number of railroad bridges were burned on November 8th, the jails in Knoxville were filled with Unionists.

Because of its strategic importance, with one of only two east-west Confederate railroads passing through it, Knoxville was called the "Keystone of the Confederate Arch."

The Confederate Department of East Tennessee had gone through several changes of command by the spring of 1863, when Major General Simon Bolivar Buckner assumed command on May 12th. After the Confederate loss of Middle and West Tennessee to Federal forces in 1862-63, Confederate General Braxton Bragg encamped his Army of Tennessee around Chattanooga on July 7th. On July 25th the Confederate Department of East Tennessee was merged into the Department of Tennessee under Bragg's command. In mid-August Union Major General William S. Rosecrans started his advance from Tullahoma, Tennessee toward Chattanooga and at the same time Union General Ambrose E. Burnside started his advance from near Lexington, Kentucky toward East Tennessee.

Bragg, knowing that he was outnumbered and that Buckner was badly outnumbered, decided to concentrate forces at Chattanooga. In late August, Buckner started a slow withdrawal to Chattanooga. On September 2, 1863 Federal troops, under Burnside, marched into Knoxville through streets lined with cheering Unionists.

On September 9th Rosecrans' Army of the Cumberland entered Chattanooga after it had been abandoned by Bragg. On the same day, General Robert E. Lee decided to detach General James Longstreet's corps of the Army of Northern Virginia and ship them via rail through the Carolinas and Atlanta to northern Georgia to join with Bragg. Part of Longstreet's corps had arrived by September 19th, which was the first day of the Battle of Chickamauga. On the second day of the battle, Longstreet realized that a Union division had been pulled out of line by mistake, leaving a gap. Longstreet struck, cutting the Federal line and starting a Union retreat toward Chattanooga. The Confederates advanced and laid siege to Chattanooga. Throughout October, Federal reinforcements and supplies were sent to the Chattanooga area.

On November 4th Bragg decided to send Longstreet to attack Burnside and drive him from East Tennessee, hoping to



"The Confederate National Bank Note." Original Series \$10 from the First National Bank of Knoxville.

Knoxville, under the Confederacy, was a busy place. The city was in the heart of a rich meat-producing district, which had traditionally supplied the lower South with pork and poultry, as well as horses and mules to work the cotton plantations. With a pork packing plant at the foot of Gay Street, Knoxville was an important distribution center for the Confederacy. Barrels of pork were shipped by rail or boat all over the South.

relieve pressure on the Confederates in the Chattanooga area. By November 16th Longstreet was nearing Knoxville. Burnside, who had advanced from Knoxville, kept the Confederates from cutting off his line of retreat and withdrew to Knoxville. The next day Longstreet began a siege of Knoxville. The Confederates could not wait for the siege to starve out Burnside since General U.S. Grant was sending reinforcements.

In the early hours of November 29th General Longstreet attacked Fort Sanders, which he mistakenly thought was a weak point in the Federal defense line. In heavy fighting, the Confederates reached the parapet of the fort, but were soon forced to withdraw. In only twenty minutes of fighting, Longstreet's attempt to overwhelm Burnside had ended. The siege continued, but on December 4th Longstreet, feeling threatened by advancing Federal forces under General William T. Sherman, pulled out from around Knoxville and retreated to the northeast.

Longstreet established winter headquarters at Bulls Gap, Tennessee, about 50 miles from Knoxville, along the East Tennessee and Virginia Railroad. From this position, he hoped to be able to retake Knoxville, should an opportunity be presented. Knoxville suffered deeply from the siege and battle. Many houses and buildings had been burned or shelled and the land around the city was stripped of vegetation.

During the winter cavalry from both sides had to scour the countryside for food, forage and horses because of the difficulty of transportation of supplies. Small roving bands often encountered each other and innumerable skirmishes ensued. Because of the divided sentiments of the citizens in East Tennessee, both sides perpetrated outrages on each other during this time, including many murders. Reprisals by the other side often followed. On April 7, 1864 Longstreet's corps was ordered to return to Lee's Army of Northern Virginia.

Bank Capitalization

Such was the setting when an organization certificate for the First National Bank of Knoxville, Tennessee was filed with the Comptroller of the Currency in Washington, DC, on April 6, 1864. The bank was capitalized at \$100,000, consisting of 1000 shares of stock at \$100 each, subscribed to by nine individuals.

William T. Perkins, of Cincinnati, Ohio, purchased 830 shares of stock and was subsequently elected president of the bank. W.R. Patterson, also of Cincinnati, purchased 100 shares and was elected cashier. Both men then moved to Knoxville. This was truly an early example of the carpetbagging that would soon descend upon the entire South. The remaining 70 shares were subscribed to equally by William Gannaway Brownlow, Samuel P. Carter, G.M. Hazen, Perez Dickenson, S.R. Rodgers, Oliver Perry Temple and William Heiskell, all from Knoxville and staunch Unionists.

On April 19, 1864 the First National Bank of Knoxville was granted charter 391 and began business in the building formerly occupied by the Bank of Tennessee. This building no longer exists, but the site is what is now 612 Gay Street.

Within two years, William T. Perkins sold his stock and returned to Cincinnati. Also within this time the board of directors learned that the cashier, W.R. Patterson, had discounted paper for the benefit of a mercantile house in which he had an interest. He was allowed to resign and returned to Cincinnati. Local residents then took control of the bank and Rufus McClung was elected cashier. Perez Dickinson was elected president, but in a short while R.R. Swepson replaced him. While Dickinson was president, he paid the stockholders their dividends in gold. That was a gesture that I am sure was very much appreciated.

CHART I Population of Knoxville

1850	2076
1860	3704
1870	8682

CHART II The vote on the Ordinance of Secession June 8, 1861

	for secession	Union
East Tennessee	14,780	32,923
Middle Tennessee	58,265	8,198
West Tennessee	29,127	6,117
Military camps	2,741	0
Total	104,913	47,238

CHART III The First National Bank of Knoxville Circulation Issued First Charter Original Series

1-1-1-2	plate	\$5,190	worth.	Serials 1-1182
5-5-5-5	plate	\$20,000	worth.	Serials 1-1000
10-10-10-20	plate	\$78,600	worth.	Serials 1-1572
Total amount of circulation issued		\$104,510		
Amount outstanding at close		\$80,910		
Amount outstanding in 1910		\$591		

When the bank was chartered in 1864, the bonds that were purchased to secure its national bank note circulation were bought at a discount. By the early 1870s, the bonds had risen in value and a good profit could be obtained by selling the bonds, redeeming the circulation and liquidating the bank. Accordingly, on October 22, 1872, the First National Bank of Knoxville, Tennessee was placed in voluntary liquidation. The net worth per share at the close was about \$135.

The only known surviving so-called Confederate national bank note is an Original Series \$10 bearing the engraved signatures of L.E. Chittenden, as Register of the Treasury and F.E. Spinner, as Treasurer of the United States. The note has Treasury serial 291397 in red ink and has a plate date of May 2, 1864. Using the information in Peter Huntoon's article entitled "Treasury Serial Numbers by Year for the Early Large-Size National Bank Notes" which appeared in issue number 144 of *PAPER MONEY* magazine, the Treasury number proves that this note was issued in 1864. The note grades a repaired good. The bottom left corner is missing from the note and has been repaired with a part of another note. The repair passes vertically through the bank serial number; therefore, it is impossible to determine the original bank serial number. The bank serial number on the note now is 1011. The number 10 is on the repaired part that has been added from another note and the number 11 is on the original part of the note. The note bears the original handwritten signatures in brown ink of P. Dickinson, V. President, one of the earliest, if not the earliest instance of a vice-president, instead of the president, signing a national bank note, and of Wm. Patterson, Cashier.

Although it will not win a beauty contest, this lowly \$10 national bank note remains as a very important part of Tennessee, Southern, and United States financial history. Infor-

mation about any other so-called Confederate national bank notes may be directed to me at: P.O. Box 140262, Nashville, Tennessee 37214.

**Biographical sketches of
some of the Original Stockholders
of the
First National Bank of Knoxville, Tennessee**

William Gannaway (Parson) Brownlow

William Gannaway (Parson) Brownlow was born on August 29, 1805 in Wythe County, Virginia. He was orphaned at the age of 11. In 1826 he was licensed to preach by the Methodists and became a circuit rider.

He entered the newspaper business and moved to Elizabethton, Tennessee; on May 16, 1839 he founded the *Elizabethton Whig*. After one year he moved to Jonesboro, Tennessee. Brownlow later moved to Knoxville, and on May 19, 1849 started the *Knoxville Whig*.

In early 1861 he was vile in his editorials against secessionists. Brownlow was a member of the East Tennessee Convention and wrote strongly against ratifying the Ordinance of Secession.

Brownlow was suspected of being the ringleader of the Unionists who burned the railroad bridges on November 8th. He was arrested on December 6th and jailed in Knoxville. The Confederates sent Brownlow into the Union lines and on March 5, 1862 he left Knoxville for Union-occupied Nashville. Brownlow returned to Knoxville shortly after Union forces entered the city.

On February 22, 1865, William G. Brownlow was elected governor of Tennessee. Re-elected in 1867, he pursued a very heavy-handed policy toward former Confederates and plunged the state deeply into debt. On March 5, 1869 Brownlow was sworn into office as a U.S. Senator from Tennessee serving one six-year term. William Gannaway Brownlow, who was once called the meanest man that ever walked the streets of Knoxville, died on April 29, 1877.

Samuel P. Carter

Samuel P. Carter was born on August 6, 1819 in Elizabethton, Tennessee. Carter received an appointment as a midshipman in the navy in 1840. He graduated from the U.S. Naval Academy at Annapolis, Maryland in the first class in 1846.

In late summer of 1861 Carter organized 2000 East Tennessee Unionist volunteers. In May of 1862 Carter attained the rank of Brigadier General of the Volunteer Army. He was with General Burnside when he entered Knoxville. In March of 1865 Carter was breveted a Major General in the volunteer army.

In 1870 Carter was promoted to Captain in the Navy. He was Commandant of the U.S. Naval Academy from 1870-1873. He was promoted to Rear Admiral in 1882. On May 26, 1891 Samuel P. Carter, the only person in American history to be both an Admiral in the Navy and a General in the Army, died in Washington, DC.

Perez Dickinson

Perez Dickinson was a Massachusetts schoolteacher who arrived in Knoxville in 1829. He was a teacher at the Hampden-Sidney Academy from 1830-1832.

Dickinson became one of Knoxville's merchant princes after going into the dry goods business in partnership with James

H. Cowan, his brother-in-law, in 1832. Dickinson served as president of the Union Bank of the State of Tennessee, Knoxville Branch, from 1857-1863.

Although Dickinson owned slaves, he was a strong Unionist and opposed secession. After the Union occupation of Knoxville by Burnside in 1863 Dickinson commanded Company E of the militia organized by Unionists for the defense of Knoxville.

Oliver Perry Temple

Oliver Perry Temple was born on January 27, 1820 in Greene County Tennessee. Temple was admitted to the bar in 1846 and settled in Greeneville, Tennessee. He ran against Andrew Johnson for Congress, but was defeated.

In 1848 Temple moved to Knoxville. In the presidential election of 1860 he was the elector from the Knoxville district for the Constitutional Union ticket. After the election he made the first speech in Tennessee in support of the Union.

In 1881 Temple was appointed the Postmaster of Knoxville, serving until 1885. Oliver Perry Temple died in Knoxville on November 2, 1907.

Sources

- Campen, J.T. (1981). *National banking in Knoxville, Tennessee 1864-1913*. Ann Arbor, Michigan: University Microfilms International.
- Coulter, E.M. (1937). *W.G. Brownlow*. Chapel Hill, North Carolina: The University of North Carolina Press.
- Garland, Paul E. (1983). *The history of early Tennessee banks and their issues*. Hampton, Virginia: Multi-Print, Inc.
- Garrett, W.R. and A.V. Goodpasture. (1900). *History of Tennessee*. Nashville, Tennessee: Brandon Printing Company.
- Goodspeed (1887). *History of Knox County*. Nashville, Tennessee: Goodspeed Publishing Company.
- Jennings, Walter W. (1926). *A history of economic progress in the United States*. New York, New York: Thomas Y. Crowell Company.
- Kelly, Don C. (1985). *National bank notes as a guide with prices*. 2nd Edition. Oxford, Ohio: The Paper Money Institute, Inc.
- Knoxville City Directories* 1859, 1869.
- Malone, Dumas (1936). *Dictionary of American biography*. New York, New York: Charles Scribner's Sons.
- Rule, W. (1900). *Standard history of Knoxville, Tennessee*. Chicago, Illinois: Lewis Publishing Company. ■

REFLECTIONS OF *John Hickman*

WE are happy to report that we received a strong response from our patrons with reference to bank signatures. Without exception, the attitude is to leave the notes alone. We received several well-thought-out letters, the substance being that the signatures or lack of signatures, are an integral part of the note and, as such, should not be tampered with in any way. Many collectors feel strongly even about the dirt and stains, feeling that this evidence of honest circulation had become an essential portion of the note and should not be removed. We are now more and more inclined toward this point of view and will attempt to identify future notes as to missing signatures, washed notes, etc.

[Hickman & Waters 28th Mail List, November 1970].

DOWN OWNES 3600 AN THE P OTHER NEW HIGH WER OF AMERICAN CAPITALISM Where Did It Come From?

by NED DOWNING

Today's booming American capital markets are the direct result of the genius of our Founding Fathers and the Framers of our 1787 Constitution. Unlike other countries, the United States has a uniquely articulated form of government in our 1787 Constitution. The Constitution is the law of our land—a flexible framework for a constantly evolving government designed to preserve American freedom and accommodate the changing needs of the "people." In the natural order of mankind, the framers of our Constitution believed that all powers of government should be derived from the "people," thus the Preamble of the Constitution begins, "We, the People of the United States, in order to form a more perfect Union . . ."

IN early 1787 the tiny American capital markets that existed were illiquid and depressed, reflecting the defaulted-on Revolutionary War debt securities (trading occasionally at 10–15 cents on the dollar) and an Articles of Confederation government poorly constructed to deal with the huge problems the debts caused. Since 1782 the Confederation government was so inept to the task at hand that they mostly wasted energy promoting a legislatively unenforceable and even illegal economic agenda. Their revenue gathering plan lacked the active support of our nation's most influential leaders. The United States' capital markets were in roughly the same position as many of the world's emerging countries' markets are today.

America's comparative advantage—the ultimate power of American Capitalism and the source of today's amazingly powerful capital markets—is a long-term outgrowth of our fair and flexible 1787 Constitutional plan of government. The plan was created by an intellectually gifted and inspired group of our nation's citizens called together in Constitutional Convention in Philadelphia when a new revolution (Shay's Rebellion) threatened the Confederation government. The new Constitution was hammered out in secret negotiations over an eight-

month period by the best and brightest classic scholars, entrepreneurs, scientists, merchants, mechanics, lawyers, doctors, and educators that our nation could offer. When the finished product, our 1787 Constitution, emerged almost no one thought it was perfect (protected slavery of blacks was its Achilles heel), but enough thought it was the very best plan possible under the circumstances so that all states' delegations attending unanimously recommended its transmission to the states for formal adoption. The Constitution attempted to balance the rights of large states versus small and Southern states versus Northern. It provided a series of checks and balances between the legislative, judicial, and executive branches of government to further protect those rights. It provided a built-in system designed to accommodate changes should the voters demonstrate their desire to make changes.

But the 1787 Constitution still was only a framework for adoption. It remained for that group of most interested and leading citizens to get the new Constitution adopted, elect new representatives, assemble in NYC, flesh out the new system and revenue-gathering process, and solve the previously unsolvable problems of the emerging debt-ridden American economy. It was a massive undertaking. Men of great vision and ability stepped forward to meet the challenge. They placed the irrevocable stamp of an inspirational beginning to our new government in the first Federal Congress—probably the most important-ever session of government, surely so as respects the American capital markets. The Constitution was only a framework, but it positioned the United States for time thereafter to uniquely harvest the genius of its free and enterprising people.

The new government started slowly in 1789. The world and capital markets were still skeptical, but gained momentum after George Washington was elected President and he chose Alexander Hamilton to be the secretary of the treasury. Congress immediately asked Hamilton for a plan to solve our nation's financial woes—the root of the cause of failure of the Confederation government. The choice of Hamilton, whose agenda was known or at least strongly suspected, as the financial leader within the new more flexible form of Constitutional government provided a beacon for knowledgeable men worldwide to see past the country's current problems to a brighter American future. Indeed, when the House asked Hamilton to formally prepare a plan to restore the public credit, those same

men not only saw the brighter future, but actively sought out investment opportunities in the new country, driving prices of the Revolutionary War debt securities higher in the beginning phase of our nation's first bull market. If one views time periods classically in terms of the history of nations as the framers of our Constitution did, that first bull market is still booming today! The framers should be justly proud of their handiwork.

New investment capital poured into the United States as details of Hamilton's 1790 *Plan to Restore the Public Credit* leaked. Securities prices jumped again when James Madison's unexpected plan (called discrimination) to pay the original holders of the war debt, the soldiers and their families, at the expense of speculators and investors, who were mostly the current holders of the war securities, was soundly defeated on February 22, 1790. The Hamilton-led Federalist forces won this key first test of strength in the new government. Hamilton and the Federalists believed in the sanctity of contracts freely entered into and in upholding the rights of security holders as a foundation for their new financial order, Madison's defection from Hamilton's camp over the issue of discrimination created division in Congress. Hamilton was forced to walk the legislative tightrope for five more months before the historic compromise (placing the capital of the United States in Philadelphia for 10 years and then on the Potomac for perpetuity in exchange for enough votes to pass Hamilton's federal assumption of state debts plan) allowed Hamilton to legislatively complete the original elements of his plan to restore the public credit.

Fewer skeptics remained as they watched Hamilton tirelessly and effectively lord-over both the legislative creation and physical implementation of the new economic order of the Constitutional government. Monied men were welcomed, their support encouraged, their interests guarded, and their dollars lured by Hamilton's pro-business policies to boost the value of the nation's capital—basically the three classes of stock in the public funds of the United States created by Hamilton to exchange for the Revolutionary War debt in his recapitalization plan. Hamilton reasoned, rightly, that he could marshal the young nation's assets and pay off the war debt over a 25-40 year time frame given the breathing room provided by his recapitalization plan. Even with this long time horizon most didn't believe his plan would work in 1790. Shockingly, within a month of the initial July, 1791, public offering of another key element of Hamilton's plan, the \$10,000,000 Bank of the United States, Hamilton's initial goal was all but achieved as far as the public debt was concerned. Holders of the settled Revolutionary War debt securities saw the dollar value of their securities soar back to 100 cents on the dollar from the 1786-7 10-15 cents on the dollar. Securities in the bank initially offered at \$25/share rocketed to over \$300/share in the first month of trading! The continuing bull market had discounted the bright future of the country and made Hamilton's plan an almost immediate success well before the 20-40 years Hamilton envisioned to pay off the accumulated war debts. His plan was the first recipient of the miracle of the American Capitalism—a way to turn promise into hard cash, to instantly capitalize a future vision and reward the enterprise of the American people.

The key to Hamilton's success and the ultimate competitive edge of the American capital markets was, and is, our long-

term confidence inspiring a flexible and fair form of Constitutional government with its built-in system that allows change when dictated by the people. This unique experiment in government provided a solid base and launching platform for Hamilton to brilliantly implement his Federalist vision.

In the 200+ years since Hamilton and the first Federal Congress implemented the Federalist system, a continuous flow of new governments have been elected, each with their own notion of the will of the people combined with their own agendas. Their ideas have been supported, thrown out, adopted and rejected in an ever-emerging pattern that ultimately reflects the will or lack thereof of the people. The American capital markets reflect a similar, constantly evolving, Darwinian process that each cycle of the market seems to strengthen as participants learn more about what works and what doesn't. Inextricably joined, our capital markets and our government are American Capitalism.

Today the American capital market itself has a unique and highly evolved several-stage venture capital incubation to publicly owned company development process in place. For the first time in the 1990s the American capital markets contain seemingly all of the elements necessary for the American economy to constantly reinvent itself in response to ever-changing economic conditions. This is a triumph for the American economic system best demonstrated by the increased capitalization value of the American market today, much as the promise of the new 1787 Constitutional government was reflected in the increased value of the settled Revolutionary War debt securities back to 100 cents on the dollar in August of 1791.

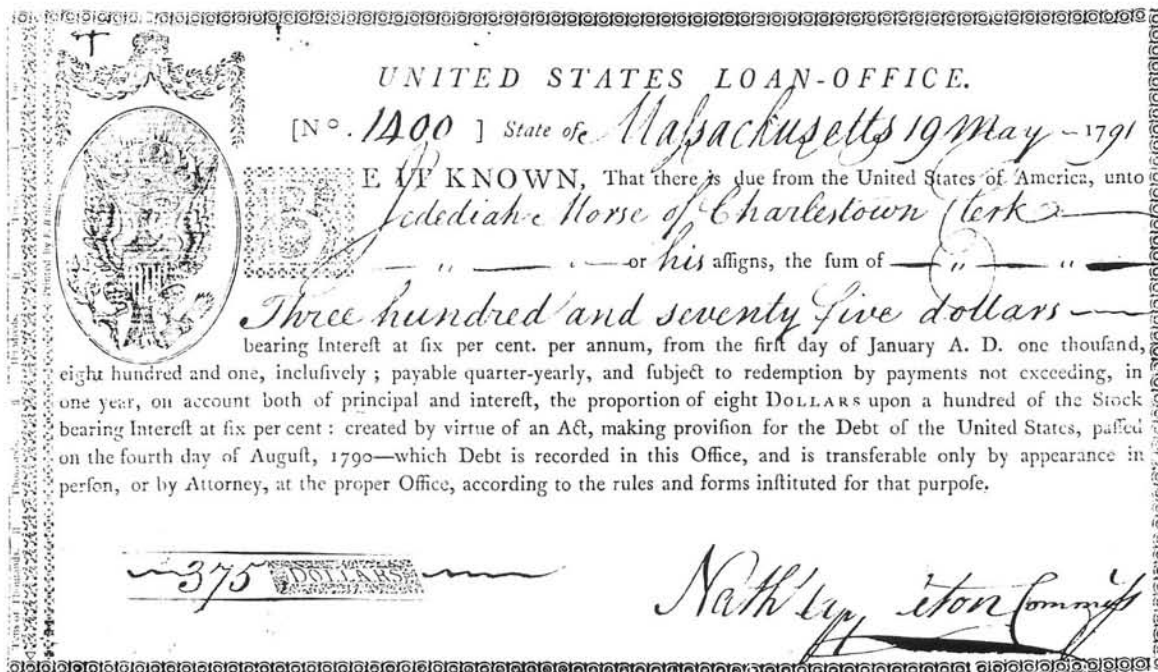
As much as other nations and their emerging economies attempt to replicate the success of the American system, their capital markets will continue to meet spotty success. That is until they, too, implement governmental systems that derive legitimate powers from the ever-changing will of the governed, and give a constant and fundamental respect to the free and unencumbered rights of security holders which is basic to the foundation of the American capital markets. Even then it will be harder for investors to enthusiastically embrace companies and securities issued within borders less secure than those of the United States and by constituencies who might prove less reliable than the electorate of the United States.

The victory of the American capital market system, so dramatically played out in today's world marketplace, is a victory for freedom, our brilliantly conceived Constitutional government, and the enterprise of the American people blessed with these huge long term competitive advantages. Today's market is saying "We, the people" can instruct our government to meet changing economic conditions and overcome the barriers of greed and embedded constituencies so resistant and harmful to other countries' systems. Our nation's comparative advantage is so basic to our country's inspirational beginnings, and our capital market is so highly evolved and difficult to replicate, that American Capitalism is well positioned to long dominate the free world marketplace. Our system of government and its capital markets, unlike other countries', were designed to embrace change and even promote it—a vital element in a constantly changing and competitive world marketplace.

More citizens will be forced to question and recognize the nature of the American comparative advantage by the insistency of present-day booming American capital markets. Perhaps this is a good time to demand that our children learn

more about our unique advantages. Hopefully we then could reestablish pride in the foundation our country and its Constitution, as well as healthy respect for its framers' principles

and the power of American Capitalism. An educated population will make informed choices at the ballot box, and on this the long-term future of our country relies.



I Jedediah Morse, within named, do hereby for value recd. Assign & transfer all the within Debt to Thomas Jackson & Boston Broker - M. & L. Office, State of Mass. & this 1 day of Decemr. 1790
Jed Morse

- The 1787 Constitution forbade paper money. Hamilton's strategy was designed around creating demand for and increasing the value of the three classes of stock he proposed to exchange for the defaulted-on war debt. He correctly reasoned that, if he was successful, monied men would learn how to use the increased value of their capital to the advantage of the American economy. So when the Federal Government offered land in the Ohio country or elsewhere at inexpensive prices the three

classes of stock were acceptable in payment at a premium. The same was true for payment of subscription offerings of the Bank of the United States, the Philadelphia and Lancaster Turnpike Company, and most, if not all, of the first companies and banks to sell stock to the public after the 1787 Constitution. So for a brief time at the origin of our Federal Government, before bank notes became widespread, these three classes of stock took the place of forbidden paper money in financial transactions that drove the economy.

- The decisive and lasting rally in the prices of American securities (up as much as 100% in four years before August 1791), led by these three classes of stock and the execution of Hamilton's plan, created a gilt-edged aura of investment quality around these securities. They thus became the foundation of the American capital markets and fuel for the growth of the American economy.
- The stock is made to and signed by Jedediah Morse who wrote the first *American Geography* book in 1784 and fathered Samuel F.B. Morse, the man most responsible for inventing the magnetic telegraph and the technologically-driven information highway—the origin of the most powerful driving force in our economy today.
- Morse's endorsement on the verso shows a 1796 sale to Thomas Jackson, Boston broker, showing the workings of the American capital markets in 1796 on a certificate that predates the NYSE's founding date of May 17, 1792. ■

THE *Last* NOTE

◀ REVISITED ▶

by DAVE GRANT

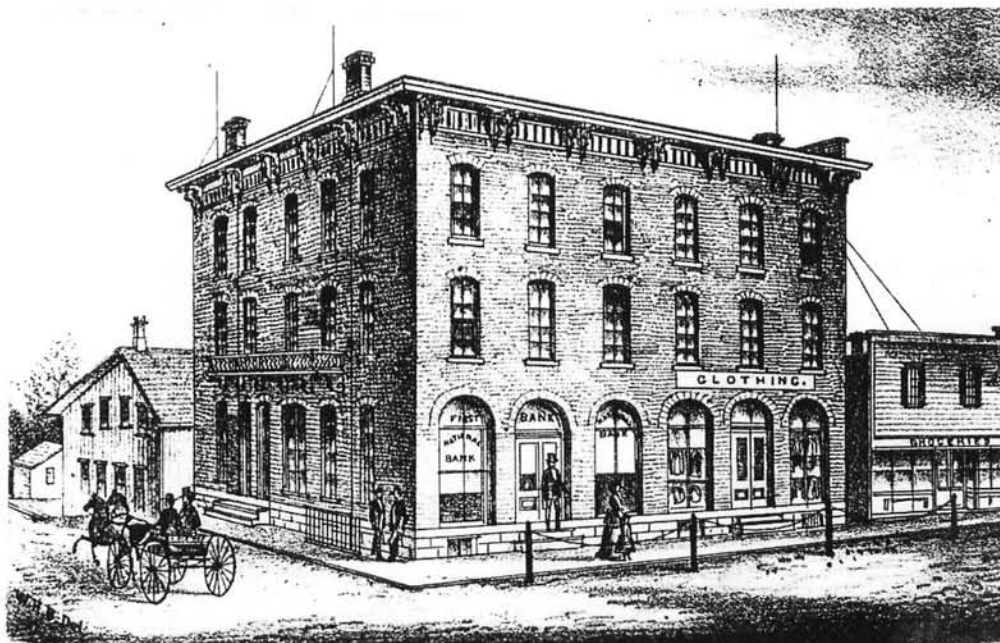
While perusing some back issues of *PAPER MONEY* not long ago, I ran across Gerome Walton's 1975 article *The Last Note*. To use his own words, Walton "piqued my interest in finding a note or sheet that would fit this category. As originally indicated by Mr. Van Belkum's statement, they are indeed rare." As luck would have it, I found my "first" last note at a coin show in St Louis during the summer of 1995. It is position "C" of sheet 1360, the last \$10 Series of 1875 note issued by the first National Bank of Morrison, Illinois.

THE First National traces its origin to the private bank of Stiles & Company organized by Messrs. Stiles and Jackson in 1863. Stiles retired the next year and Jackson formed a new partnership with Leander Smith under the name of L. Smith and Company. Within a year, the organizers of the First National Bank of Morrison applied for and received national charter number 1033. The former partners continued with the new organization, Smith serving as president and Jackson as cashier. These gentlemen served together until

Leander Smith's death in 1889. Jackson continued in office until WWI, giving the bank nearly half a century of service. A contemporary drawing reveals that the bank was housed in a substantial three story brick building at the corner of Main and Cherry Streets, right at the heart of downtown Morrison. An interesting bit of trivia about the bank is the claim that the first time lock ever purchased by a banker was purchased by the First National in 1874.

Despite some damage and its relatively low grade, the note is nevertheless oddly attractive with its cherry red seal and charter numbers and the signatures of A(lbert) J Jackson and Leander Smith. Although the bank received its charter on January 28, 1865 the note itself is dated June 1, 1865. This is probably a "batch" date (described by Huntoon, 1986, No. 122) and may indicate that a few months passed before the bank ordered its first currency shipment. The note's Treasury serial number (H37198) dates its printing to (probably the end of) 1882. By this relatively late date the Bureau of Engraving and Printing had entirely displaced the private bank note companies' role in printing currency, and the note carries imprints of both the American Bank Note Company, at the bottom center, and the Bureau of Engraving at the upper left.

The note is significant not only because it is a "last note," but also because it led me to a review of the year-by-year circulation totals from the *Annual Reports of the Comptroller of the*



FIRST NATIONAL BANK. MORRISON, WHITESIDE CO. ILL.

Currency which provided insight into why the first and second charter period issues from the bank are so scarce.

During its first 20 years, the First National matched its holdings of U.S. Government Bonds to that of its capital and secured the maximum circulation possible. This equalled 90 percent of its bond holdings and the circulation totalled \$45,000 before 1871 and \$90,000 thereafter. The bank maintained its circulation at \$90,000 through the extension of its charter in 1885 and for a couple of years more. Then, in 1887, the bank slashed its holdings of bonds to \$25,000 and reduced its circulation accordingly to \$22,500.

This action was very common for national banks at the time, but the explanation requires reference to a bit of financial history. As is well known, the National Banking Act was passed, in part, to create a market for the massive issues of government bonds used to finance the Civil War. At the end of 1860, the federal government's debt totalled just \$65 Million, and this had more than doubled since the "Panic of '57" because of the country's slow economic growth. In order to prosecute the war, federal military spending began in earnest during 1861 and continued at historically high levels. By the end of 1865 the government's debt totalled \$2,678 million. After Appomattox, the national government's spending and, consequently, its incremental borrowings were drastically reduced as tax revenues again began to outstrip spending. This permitted the resumption of specie in 1876 and, with less governmental demand for money, interest rates fell during the postbellum period as well.

Relatively flush with cash, the government followed an aggressive program of redeeming or "continuing" (at a lower interest rate) maturing bonds, and, in some cases, actually paid a premium to repurchase and retire older, higher coupon debt. By the mid-1880s, the older high coupon bonds, which secured national banknote circulation, commanded increasingly high premiums to par. National bankers found that they could realize better profits by selling their bonds, reducing their circulation and reinvesting the proceeds in other, more attractive opportunities. For example, in 1886 the 4 percent bonds (redeemable after 1907) were quoted at an amazing 128, and even the 4½s (redeemable in just 5 years) sold at 111. Such profits far exceeded the profits from circulation and were not ignored by most bankers.

Interestingly, the Act of July 12, 1882 further accommodated this tendency by permitting any national bank with capital of \$150,000 or less to reduce its holdings of bonds to just 25 percent of the amount of paid in capital. Since the amount of

a bank's circulation was tied to its holdings of bonds, this, in turn, reduced such bank's permissible circulation. In order to release the bonds it held in excess of this minimum the bank simply deposited "lawful money" in the redemption fund equal to the difference between its old level of circulation and the new, reduced level of circulation. The key point for the Morrison bank, however, is that for banks which had reduced their bond holdings, no new notes would be issued, even to replace worn or damaged notes, until the actual outstandings reached the lower "bonded" level of circulation.

Since the value of the circulation privilege had been reduced, the advantages of a national bank charter were also substantially lessened and the organization of new national banks slowed markedly. This was especially true in smaller communities, where the minimum capital requirement of \$50,000 required for a national charter was far higher than what was being required by most state chartering authorities.

During the 1890s the federal government again entered a period of rising expenditures and debt. And, perhaps not coincidentally, regulations were liberalized to encourage the organization of National Banking Associations, in part no doubt, to strengthen the demand for government securities. In addition, a large increase in the supply of bonds carrying the circulation privilege occurred with the "3s" of 1908-1918 issued in conjunction with the Spanish American War. The supply was further expanded in late 1905 when the 2 percent Panama Canal issues also received the circulation privilege. Because of the lower interest rate, these bonds carried a lower premium in the secondary market than earlier issues. Equally important, the Act of March 14, 1900 permitted a national bank to issue circulation up to an amount equal to 100 percent of its bond holdings and the minimum capital requirement to organize a national banking association in a small town was reduced to just \$25,000. Together these changes ushered in what John Hickman referred to as the "Golden Age of Home Town Banking."

These events are nicely illustrated by the First National Bank of Morrison. In early 1885, the bank applied to the comptroller to extend its charter. The Act of July 12, 1882 provided that:

...notes of any national bank so extending the period of its succession issued prior to such extension, shall be redeemed at the Treasury of the United States as provided in the act of June 20, 1874; at the end of 3 years from the date of its extension, the bank shall deposit lawful money with the Treasurer of the United States to redeem the balance of the notes outstanding at the date of its extension ... from time to time as these notes shall be redeemed, new circulating notes shall be issued to make them distinguishable from those previously issued.

That is, the bank received its replacements for worn or damaged currency after recharter in the form of brown back notes. In 1887 the bank chose to reduce its bond holdings to the permissible 25 percent of capital, or \$25,000. Since circulation was limited to



FNB Morrison, Charter 1033

Dates Covered	Capital	US Gov't Bonds	Bonded Circulation
1865 to 1870	50,000	50,000	45,000
1871 to 1886	100,000	100,000	90,000
1887 to 1897	100,000	25,000	22,500
1899	100,000	25,000	13,300
1901	100,000	25,000	7,200
1903	100,000	25,000	4,400
1904	100,000	25,000	25,000
1905	100,000	66,060	25,000
1906	100,000	56,960	25,000
1907	100,000	88,085	25,000
1908	100,000	116,470	88,000
1909 to 1928	100,000	Over 100,000	84,000 to 99,750
12/31/32	100,000	105,000	50,000

Entered Receivership during 1993, closed December 7, 1993.

Sources: Through 1922, Comptroller of the Currency, Annual Report. Thereafter, Polks Bank Directories for March of each year.

**Officers of the FNB of Morrison during
the Large Size Currency Period**

	President	Cashier
1865 to 1889	Leander Smith	Albert J. Jackson
1889 to 1893	W.S. Wilkinson	Albert J. Jackson
1894 to 1913	Edward A. Smith	Albert J. Jackson
1914 to 1918	M.H. Potter	F.A. Van Osdel
1919	H.H. Wilkinson	F.A. Van Osdel
1920 to 1923	D.S. Spafford	F.A. Van Osdel
1923 to 1929	John A. Riordan	F.A. Van Osdel

90 percent of the value of the bonds, the bank's circulation was simultaneously reduced to \$22,500. To recover the \$75,000 of bonds that this action permitted, the bank was required to deposit \$90,000 minus \$22,500 or \$67,500 of "lawful money" into the redemption fund. New notes were not issued to the bank to replace redeemed, worn or damaged currency until the circulation actually outstanding totalled \$22,500 and, since neither the bank's capital nor holdings of bonds were increased during this period, it is likely that the bank did not receive any new notes for a several years after 1887. Further, the circulation figures after 1899 indicate that the bank began to deliberately permit its circulation to run down. Huntoon (1981) has noted a similar phenomena somewhat later in regard to Arizona banks, and it is also illustrated in the much later activities of the Mercantile National Bank of St. Louis, which consciously redeemed circulation when it was advantageous to sell bonds, only to increase its bond holdings and obtain new currency when it seems advantageous to take an opposite course.

This reduction is also reflected in the amount of currency issued to the bank and explains the rarity of first and second charter notes. During its first 20 years, the bank issued circulation equal to \$311,000, or an average of about \$15,500 for each of its 20 years. During its second 20 years, the bank issued only a third as much, \$116,800 or \$5,840 per year, very little of which would have been issued after 1900. In 1903 the bank's authorized circulation had dwindled to just \$4,400.

After the second extension of its charter in 1904, the bank's circulation returned to \$25,000 and began to approach capital again during the 'teens as bonds once again became a desirable investment.

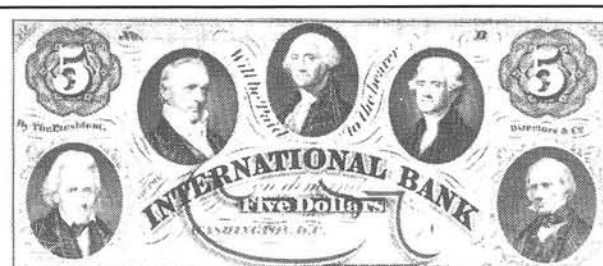
This reinforces the notion that collectors should not judge the rarity of a bank's early issues based on the last circulation figures available. And, even a low grade note can provide significant insight into the day-to-day operation of national banks and be a real gem among the chaff.

BIBLIOGRAPHY

- Comptroller of the Currency (various dates 1865 to 1935). *Annual Report of the Comptroller of the Currency*, Washington, D.C.
- Childs, C. F. (1947). *Concerning U.S. Government Securities*, Chicago IL.
- Hickman, J. and D. Oakes. (1990). *The Standard Catalog of National Bank Notes*, Iowa WI.
- Huntoon, P. (1981). *Bond Sales Created Many National Bank Note Rarities and Missed Types*, PAPER MONEY Number 95.
- _____. (1986). *Significance of Plate Dates on National Bank Notes*, PAPER MONEY Number 122.
- _____. (1986). *The Relationship Between National Banks and Corporate Extensions and Reorganizations of National Banks*, PAPER MONEY Number 123.
- _____. (1989). *Treasury Serial Numbers by Year for the Early Large-Size National Bank Notes*, PAPER MONEY Number 144.
- Walton, G. (1975). *The Last Note*, PAPER MONEY Number 56.

ACKNOWLEDGMENTS

Thanks to Lee Stickle for providing some very useful background information on the bank and for the nice drawing of the building from the period the note was issued.



**8th BOOK
IN A SERIES**
**ABOUT
PORTRAITS**
by ROGER H. DURAND

This book is a who's who of individuals portrayed on obsolete bank notes & scrip. The famous, such as the Presidents of the U.S. to the infamous, such as the president of an obscure small town bank. Politicians, business men, inventors, Revolutionary and Civil war heroes, famous women & Indians are all included. A short biography is included which usually accounts for the reason that the portrait appears on the note. An enlargement of each portrait to help in identification of the person on other notes makes this book a required addition to your library. A refund if you are not satisfied for any reason.

\$28.95 pp

Order from your favorite dealer or from the author:

ROGER H. DURAND P.O. Box 186
Rehoboth, MA 02769



Three Unique G O L D Certificates



by GENE HESSLER

WHILE gathering material for *An Illustrated History of U.S. Loans 1775-1898* at the Bureau of the Public Debt, about six years ago, I was pleased to find some unique pieces that were vital for that work. I was also delighted when I discovered three canceled gold certificates, never before illustrated. I changed that by adding these face designs to the 5th and new 6th editions of *The Comprehensive Catalog of U.S. Paper Money*. In addition to those who purchased the catalog, I assume there are others who would be interested to see illustrations of these rare notes.

It took decades for the saying, "not worth a Continental" to disappear. It had no relevance to generations who did not know the history of Continental currency that eventually became all but worthless. As a child I often heard the phrase "as good as gold." One seldom hears that affirmation today; it lost its meaning when gold coins and gold certificates were withdrawn and ceased to circulate.

The first gold certificates issued in the United States were authorized by the legendary Act of 3 March 1863. This act also authorized bonds, interest-bearing treasury notes, compound interest treasury notes, legal tender notes and fractional currency. This act was also the first act to place a tax on state bank notes.

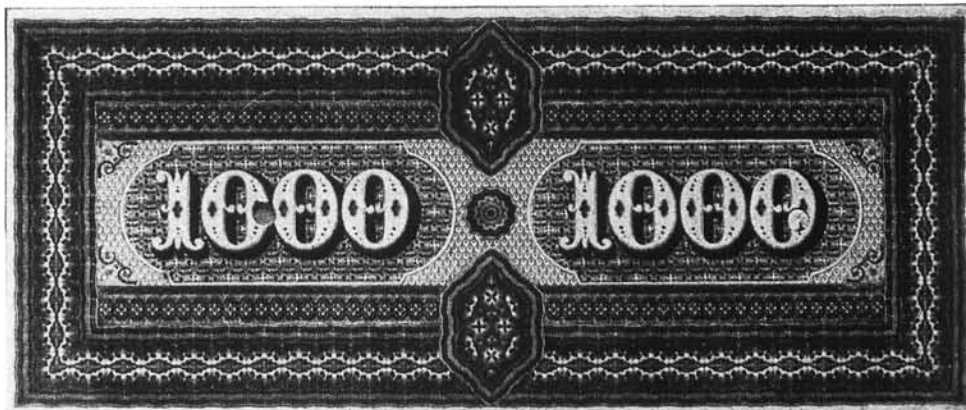
The first gold certificates in denominations of \$20, \$100, \$500, \$1,000, \$5,000 and \$10,000 were not issued until late 1865. There was a total of nine large-size gold certificate issues. However, only four issues circulated widely. The Gold Reserve Act of 1934 recalled all gold certificates. The order was rescinded on 24 April 1964. This made it legal for collectors and others to hold these lovely, obsolete gold certificates.

Two of the notes illustrated here were included in the first issue. Like the \$20, \$100, and probably the \$500 and \$10,000—none are known—the \$1,000 and \$5,000 gold certificates included the eagle *E Pluribus Unum* engraved by Charles Skinner.



This back design proof for the \$1,000 note, and the other two denominations, was photographed by the author at the Bureau of Engraving and Printing.

This Series of 1863 \$1,000 gold certificate includes the upper portion of *Justice*. The entire image appears on the \$1,000 compound interest treasury note authorized by the same Act of 3 March 1863.



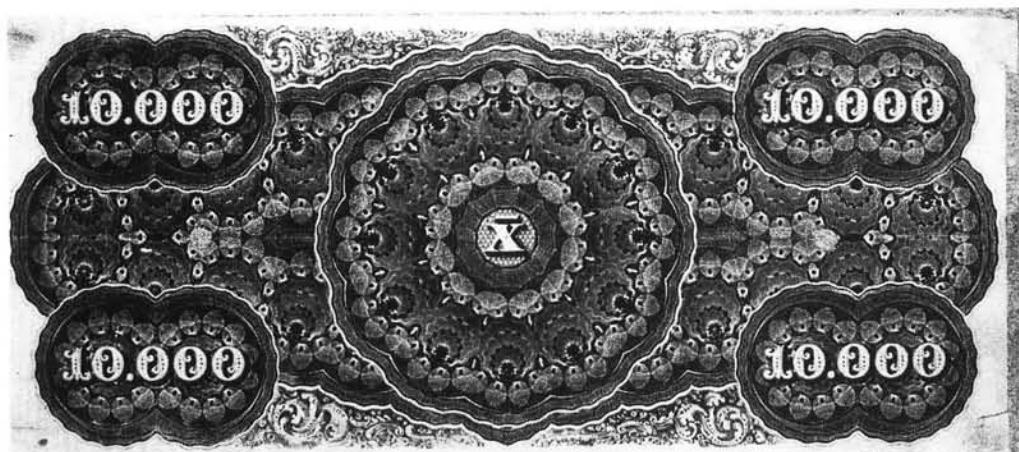
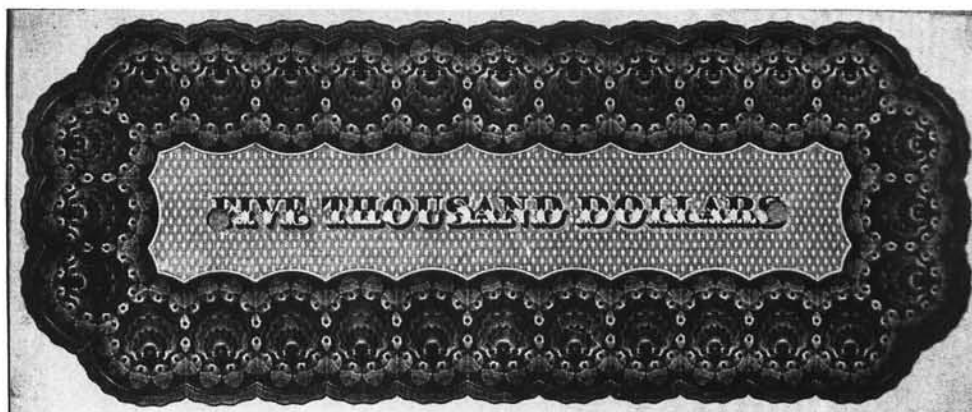
For the Series of 1863 \$1,000 notes, 117,000 notes were printed and 60,000 issued. The illustrated note is the only one

known. However, seven are outstanding, waiting to be discovered, if they still exist.



This Series of 1863 \$5,000 gold certificate includes the upper portion of **Victory**. The entire image appears on the \$20 compound interest, and interest-bearing treasury notes, both authorized by the same Act of 3 March 1863.

A proof back design for the \$5,000 note.



No examples of the 1863 \$10,000 gold certificates are known. However, this proof illustrates the back design.

The uniface \$10,000 gold certificate, Series of 1875, is similar to the Series of 1888, which has been illustrated before. The portrait of Andrew Jackson was engraved by Alfred Sealey.



For the \$5,000 note, also from Series 1863, there were 94,600 notes printed and 64,000 issued. All of these notes have been redeemed. Allow me to say that the illustration for the back of this note as Hessler 1443 (1992) is incorrect. (The previous edition has the correct back design.)

The last note illustrated here is a \$10,000 note; it was part of the Series of 1875. Only 8,933 notes were printed and issued; all were redeemed. Again, the illustration for the back in Hessler (1992) is incorrect. (The previous edition has the correct back design.)

For detailed information that relates to these notes you might consult an excellent 78-page booklet, *Gold, Greenbacks, and the Constitution*, by Richard Timberlake, Ph.D. The publisher is The George Edward Durell Foundation, P.O. Box 847, Berryville, VA 22611. The price is \$4.95.

Sources

- Hepburn, A.B. (1924). *A history of currency in the United States*. New York: The Macmillan Company.
Hessler, G. (1992). *The comprehensive catalog of U.S. paper money*. Port Clinton, OH: BNR Press.

The



Starts Here A Primer for Collectors

by GENE HESSLER

In a previous column the original and altered, but unused, versions of the 1896 \$5 silver certificate were discussed. The central figure of *Electricity* on the original design was not sufficiently clothed, according to some. Although altered with added clothing, the design was canceled and an entirely new design was issued in 1899.

During the past 20 years a few notes, that were subsequently altered, were issued in other countries; both versions of each are available for reasonable prices. Eagle-eyed collectors noticed these varieties almost immediately.

In 1974 when the United States was on friendlier terms with Iran, a new 200-rial note with the portrait of Shah Mohammed Reza Pahlavi was issued. However, it was the back of the note that created considerable controversy. On either side of the Maidane Shahyad Monument are geometric designs. On the first issue the dominant pattern consists of a 6-pointed Star of David. This symbol, which conveys dignity and respect for the state of Israel, is anathema for most Moslem countries.

The circumstances that surround the creation of this note by an English firm continue to be debated. The design could have been the result of a pattern innocently generated by a geometric lathe, which had no intended political or religious connotation. However, many think the lathe operator knowingly created this controversial pattern.

Fortunately for the collector enough of the original notes entered circulation before this blunder was noticed and the plate was reengraved. Both versions are available for about \$15 each.



In Nepal a new portrait of King Birendra Bir Bikram was placed on a new issue of notes in 1981. After a considerable number of 2- and 100-rupee notes were issued, everyone noticed a black line near the corner of the king's mouth. This was obviously the result of a deep scratch on the printing plate. Nevertheless, it did not flatter the king, who appeared to have something dangling from his mouth. The printing plate was altered.

Both types of the 2-rupee note are available for about \$1 or \$2 each. If you want the 100-rupee versions they will cost about \$10 each. However, the 2-rupee notes tell the entire story.

A less obvious note that required alteration is the 50-baht note from Thailand with the portrait of King Rama IX. The ears on the portrait on the first issue were elf-like, not as extreme as the pointed ears of Star Trek's Mr. Spock, nevertheless, the king was not amused, and the printing plate was retouched. Both versions of this undated note, issued about 1985, can be purchased for under \$10 each.

All of the preceding should make interesting conversation pieces, especially for friends who are not familiar with international paper money.

Next month the entire column will be devoted to an altered note from region of Czechoslovakia.

(Copyright story reprinted by permission from Coin World, Nov. 28, 1994.)

Annual Blue Ridge Meeting

The Blue Ridge Numismatic Association Convention will take place in Chattanooga, TN, August 22-25. At the SPMC meeting at 4:00 on Saturday, chaired by Judith Murphy, Dick Rader will speak on *Georgia State Notes*.

Richard Doty will represent the National Numismatic Collections at the Smithsonian Institution. He will bring a Smithsonian display of Georgia currency from the Colonial period to 1865, and will offer periodic lectures. The Georgia Numismatic Association is a major financial sponsor of this event.

USAir is offering a 5% discount fare. Call USAir's Meeting and Convention Reservation Office at (800) 334-8644; 8:00 a.m. to 9:00 p.m. E.S.T. and refer to Gold File No. 23450348.

PATIENCE

PERSEVERANCE

AND

PURPOSE

PAYS OFF!



by RICHARD DEAVERS

THIS is a story about patience and perseverance—qualities that a collector of national bank notes must possess. Seven years ago I decided that I just had to have a \$10 or \$20 note issued by the H.Y. Davis National Bank of Cave City, Kentucky—a very rare, good-name bank that stopped issuing currency in 1916.

I wrote to the Postmaster of Cave City, who put me in touch with the only living grandchild of H.Y. Davis—a lady who worked in her grandfather's bank for over 40 years after it became the H.Y. Davis State Bank.

This lady sent me a copy of a high-grade, Series 1902 Date Back \$10, but said that she would never part with it because not only was it signed by her grandfather, but the note also bore the signature of her father, Ernest C. Davis, who was cashier.

Being an avid collector who is very persistent, I wrote to her once a year, advising her of my continued interest in her \$10 note—and every year she wrote back, saying that she planned to keep it. I even visited her in Cave City in the spring of 1990, and she showed me photographs of her grandfather.

In February of 1992, I wrote to her again but received no reply. After making a few inquiries, I learned that she had

passed away a month earlier. I obtained the name of the executor of her estate, who was living in another state. For the next two years, I sent regular letters to the executor, but could not persuade her to part with the valued family heirloom, signed by her great-grandfather.

In July of 1994, I wrote to her again. Much to my surprise and great joy, she sent me a letter on August 29th telling me that I could buy the \$10 bill. Out of respect for the Davis family, I assured the lady that should I ever decide to part with the \$10 bill, I will first offer it to her family.

Needless to say, this H.Y. Davis \$10 note, boldly signed by that colorful figure in Kentucky banking history, is one of my most prized notes—not simply because it is one of the rarest and most desirable of Kentucky nationals, but because I found it and obtained it on my own. I take special pride in all the notes that I have personally pried away from private individuals and brought to the collecting community. And, in addition to the owners of the note, I also met some other very nice people along the way, and received some kind assistance from the folks who guided me to the note.



The author's reward for his efforts: A Third Charter 1902 Series Date Back note issued by The H.Y. Davis National Bank of Cave City, Kentucky. This note bears the pen-signed signatures of Assistant Cashier E.C. Davis and President H.Y. Davis.

HISTORY OF THE H.Y. DAVIS BANK OF CAVE CITY, KENTUCKY

by Cecil Goode

[This article appeared in the April 28, 1988 issue of the Glasgow, Ky. *Daily Times*, and is reprinted with their permission.]

Many people probably think that the life of a bank is dull and unexciting—nothing but figures, money counting, money changing, lending and other everyday reasons that we go into a bank. But that's not true. Like a person's life there are lighter occasions, some tough times and usually even death. Some fortunate people reach a hundred years and so has one bank in Barren County. The H.Y. Davis Office of the Citizens Bank and Trust Company in Cave City will celebrate its hundredth birthday with an open house on May 6. There were earlier banks in Barren County; they are now gone. This one is now the oldest.

Various incidents sparked the life of the H.Y. Davis Bank. Of course, it is no mean accomplishment to reach a century of service to a community and during this time never to have had to close its doors to the public. There was an exception, of course, as was true with all banks that were in existence in 1933, when all banks in the country were ordered by the federal government to close until the banking situation could settle down during the Great Depression. Many banks never reopened, but the H.Y. Davis Bank did.

Winifred Davis, granddaughter of the founder, recalls when the bank hired its first woman. Banking previously was virtually a man's preserve. And this woman is still living: Grace Gray McBride of Park City. Winifred remembers that her grandfather and the other males in the bank wanted

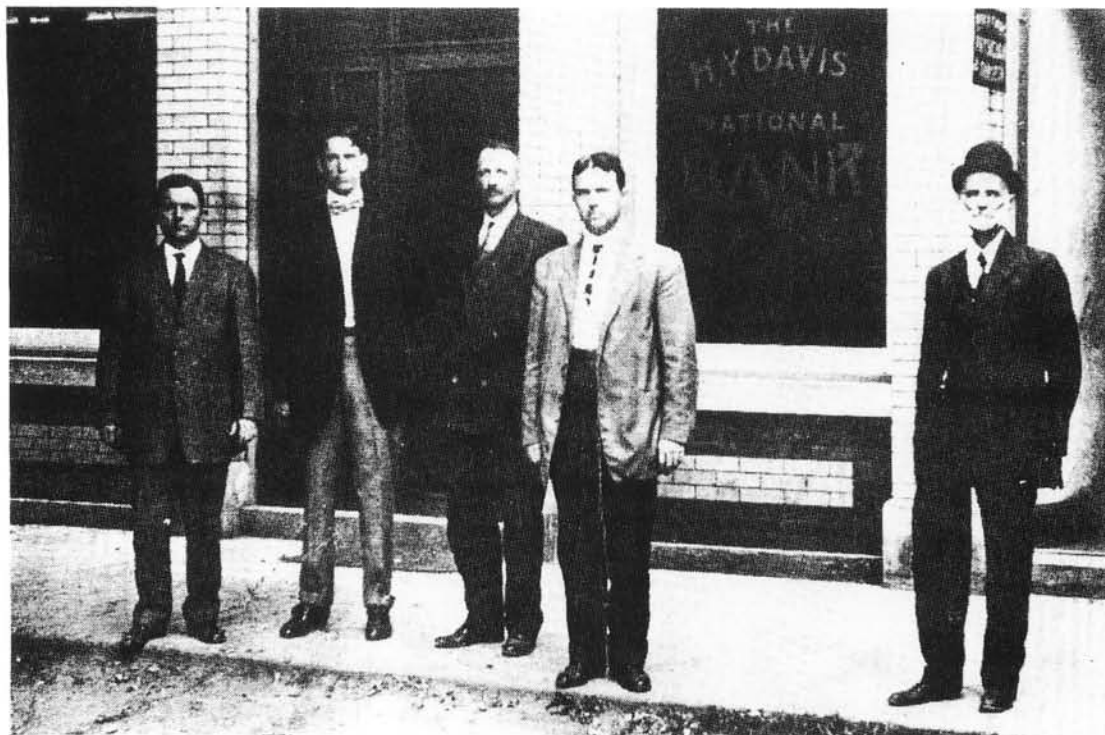
this young woman to be comfortable, so they ordered from Louisville a high stool with a back. The men in the bank all sat at the high counter on high stools with no backs. They were also concerned about the restroom accommodations for her, but finally decided that she could walk outside and up the outside stairway to the second floor like the other members of the bank did.

Another episode involved a possible robbery. None, thankfully, happened during the bank's hundred years, but they thought one was about to happen when a strange-looking man, unknown to those in the bank, backed up to the curb in front of the bank like he wanted to make a quick get-away. He burst into the bank and those inside thought, "Uh-oh, here it comes," but just at the moment he reached the inside, the twelve o'clock siren blew, and the stranger, thinking a burglar alarm had been set off, wheeled around and took off like he had been shot at. As a precaution, a pistol was kept under the counter ready for use if the need ever arose, but it never did.

Among many noted depositors was Floyd Collins, who was trapped in Sand Cave and met an early death. A certificate of deposit with the Davis Bank was found on Collins' body when it was retrieved from his Sand Cave tomb.

Today it is hard to imagine a bank providing the accommodations for visiting and loafing as a country store or small restaurant might, but the Davis Bank did. In the early days, men came in and sat awhile swapping news and stories.

The bank was founded on May 7, 1888 by Hardin Young Davis under the name "H.Y. Davis, Bankers." The site of the bank is still standing across Broadway from the present location of the bank—where the Green River Sanitation office is now located. Sometime later the bank moved next door to a building that is also still standing, where the Davis



Some early officers of the H.Y. Davis Bank. The founder, H.Y. Davis, Sr., appears at right. Others pictured from left are, E.C. Davis, Gordon Cornelius, B.L. Wilson and S.B. Davis. The title, "The H.Y. Davis National Bank," appears in the window behind the officers, indicating that the photograph was taken before 1916.

Insurance office is now located. The present site of the bank, in a modern building built in 1968, is where the Old Dixie Hotel stood. The depositors during the bank's first week whose transactions were written into the first ledger book by R.T. Smith of Horse Cave, included: H.Y. Davis, William Wells, C.L. Caldwell, O.F. Curd, J.B. Curd, W.A. Huggins, J.W. Monroe, Henry Fishback, B.D. Curd and son, Isaac Jameson, Dr. W.E. Garnett, J.T. Brady, Charles Davidson, Mrs. Fanny L. Davis, W.S. Doyel, G.M. Smith, A. McCoy, James P. Brooks, John Ford, Elkanah Dickey, and Mrs. Bettie Level.

H.Y. Davis, Sr., led the bank until his death in 1924—some 36 years. Of course by 1920 Davis had retired from his most active involvement. Longevity seems to have been characteristic of the bank's officers and staff. Earle Dickey served for 46 years, rising to president during that time. Three of the Davises' sons also served the bank. All four sons were bankers, and actually served at one time or another in one of the Davis banks. After their father's retirement, Samuel Beverly Davis took over as president and Ernest C. Davis as cashier. After the death of both Samuel and Ernest in 1935, another son, Arch B. Davis, became president. Arch made his banking fame in Louisville; he had served as secretary of the Kentucky Bankers' Association and became vice-president of the Citizens Fidelity and Trust Company. Another son, H.Y., Jr., ran the Davis bank at Upton.

Granddaughter Winifred Davis served in the bank for 44 years, eventually becoming assistant cashier. And the first woman in the bank, Grace Gray McBride, retired in 1974 after 55 years. H.Y., Sr. established three other banks besides the first one in Cave City. These were at Upton, Rocky Hill and Glendale.

A present-day Davis, H.Y. Davis, IV, is following in the family tradition; he is now connected with the First Citizens Bank of Elizabethtown. In fact, except for a year or less, one or more of the Davis family have been associated with the H.Y. Davis Bank. Nancy Hale, who is now with the bank, is a family member.

Earle Dickey, in some recollections which he wrote on the occasion of the bank's moving into its new location in 1968 (the present location) characterized H.Y., Sr. as "a wonderful old gentleman ..." "... I remember very well one of those early days the Old Reporter did not strike a balance, and he had visions of losing his job, when Mr. Davis came by and asked if I was having trouble. With a red face, I admitted that I was, with expectation that I would be fired on the spot. But to my immense relief he merely said, 'Earle, you have the ability to keep those books' and quietly walked away. I revere the memory of this kind and able old gentleman."

All of the records of the bank until the modern era were kept in ink in large ledger books. All depositors' accounts were kept in this manner. These early ledgers, including the original one, still repose in the bank's archives. Dickey said that when he started in 1920, one adding machine was the only mechanical aid available. The Davis Bank later became The H.Y. Davis National Bank, but in 1916 it became the H.Y. Davis State Bank when the officers tired of what they considered to be unreasonable demands from the national banking system.

Control of the bank remained in the Davis family for some 76 years. In 1964 it was bought out by Guy Comer,

and in 1972 it became a part of the Citizens Bank and Trust Company. I think that you will agree that this venerable institution is entitled to celebrate its century of service with satisfaction and pride.

NOTE ISSUES OF THE H.Y. DAVIS NATIONAL BANK OF CAVE CITY, KENTUCKY

Charter 7919 was issued to this bank in September 1905. The capital of the bank was \$25,000, the minimum allowed by the Gold Standard Act of 1900. The bank issued Third Charter 1902 Series \$10 and \$20 Red Seal and Date Back notes only, before it was placed in voluntary liquidation on January 2, 1917, for the purpose of becoming a state-chartered bank.

The total amount of circulation was \$168,950; of this, only \$28,000 was outstanding when the bank closed. The surviving notes of this bank are extremely rare.

REFERENCES

- Goode, C. (1988). "H.Y. Davis Bank will observe 100th Birthday with open house." Glasgow, KY: *Daily Times*, April 28, 1988.
Hickman, J. and D. Oakes. (1990). *Standard Catalog of National Bank Notes*. Iola, WI: Krause Publications.



SOME "QUEER" IN THE CITY

(Queer was a 19th century term for counterfeiter)

An unsuccessful attempt was made by one Wiscall last night to pass a counterfeit \$5 bill on Mrs. Frazier, who keeps a small cigar place on Arizona street. The woman detected the irregularity and quickly summoned Officer Parlin, who arrested Wiscall. No other counterfeits were discovered in his possession. The bill in question was a purported issue of the Cape Fear National bank of Wilmington, North Carolina. It was marked "Series B," and bore the almost indistinguishable signature of the president of the institution.

This is not the first counterfeit North Carolina currency that has come into the possession of the department, for some time ago another "shover" was caught in Butte with the same kind of money, but he was released because the United States authorities were unable to prove that he did not receive it innocently.

The bill now in the hands of the police is a clumsy piece of work. The faces of the die on either side are identical and when torn apart the backs, which were pasted together were found to contain no imprint. Wiscall said he was not aware that it was bad, but the very appearance of the bill is against his statement.

The whole matter will be placed before United States Commissioner McMurphy today and the police have special instructions to be on the watch for any more of this "specie." *Butte (Mont.) Miner*, Mar. 13, 1896.

Mississippi River & Bonne Terre Railway

Serving the Lead Fields of Southeast Missouri (1890-1929)

by BOB SCHMIDT

RAILROADING in Missouri became a reality in the early 1850s for two definitive reasons. One was interest in the western U.S. following the California gold discoveries and the subsequent western expansion. Two, was the need to transport the rich mineral deposits in the iron and lead fields of Southeast Missouri to the mills and furnaces in and near St. Louis. Of course St. Louis was to be the terminus for railroads in both directions.

Organization of the Iron Mountain Railroad in 1851 met the latter need, as did the construction of the lesser-known Mississippi River and Bonne Terre Railway in 1890. It was built

and operated by the St. Joseph Lead Co. in Bonne Terre, Missouri.

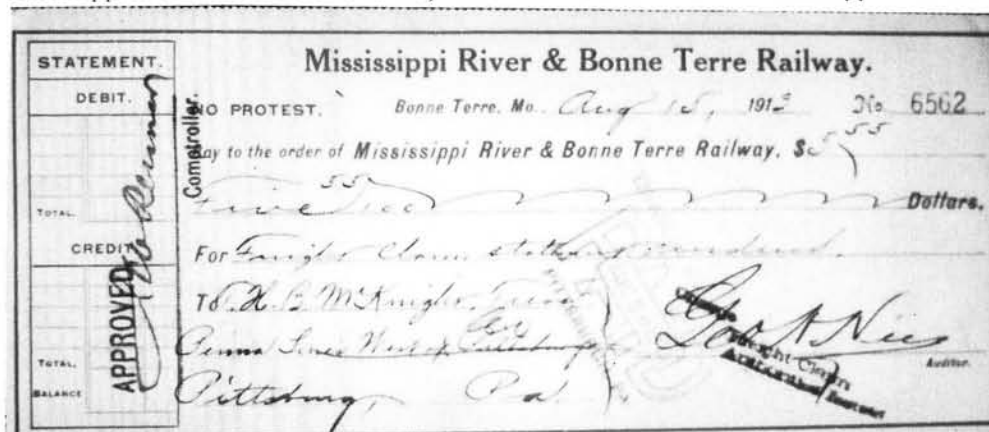
Until 1880 lead ores were hauled by horse and ox-drawn wagons overland to the St. Louis, Iron Mountain and Southern Railway to the west. (In 1874, the Iron Mountain Railway was consolidated with the Cairo & Fulton and the Cairo, Arkansas and Texas line.) In that year, the lead mining companies built a line from Bonne Terre, Missouri, west to Summit, a point on the St. Louis, Iron Mountain and Southern Railway. Eventually however, a more direct route to Herculaneum on the Mississippi River was needed to connect the mines with

the extensive smelting operations there. Thus, the Mississippi River and Bonne Terre Railway was born in 1890. Tracks were laid from Riverside (25 miles below St. Louis) at the junction with the St. Louis, Iron Mountain and Southern Railroad, then 32 miles south to Bonne Terre, Missouri. In 1894 an extension to Doe Run, Missouri was constructed. The railline became a veritable pipeline for industry, product and people traveling to and from the lead fields of St. Francois County, Missouri. Its officers included all the top mining personnel of the St. Joseph and Doe Run Lead Companies of that era. F.P. Graves, who was secretary and assistant superintendent of the Doe Run Lead Co. was secretary of the Mississippi River and Bonne Terre Railway.

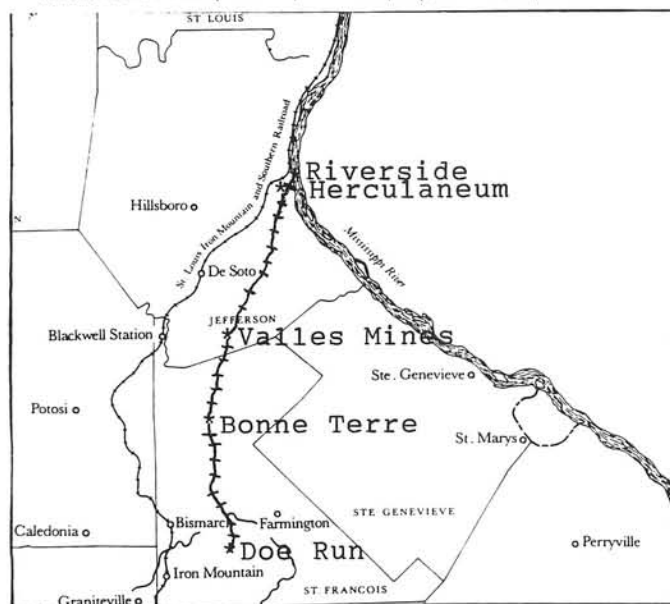
The line transported more than ore. With six passenger trains running daily, a Bonne Terre resident or mining executive could be in St. Louis in three hours in 1912. A connection would be made at Riverside just north of Herculaneum with a St. Louis, Iron Mountain and Southern train for the journey to St. Louis. In 1929 the Missouri-Pacific RR acquired the Mississippi River and Bonne Terre Railway and passenger service ended soon after. For nearly 30 years this railroad was a vital part of the mining community.

Sources

- Encyclopedia of the History of Missouri, 1901, Volume IV. The Southern History Co. New York, Louisville, & St. Louis.
- Primm, James Neal. *Lion of the Valley St. Louis, Missouri*, Volume III. The Western Urban History Series 1981.
- The Model Railroader*, May 1990.
- Various issues of *The Farmington Times*, Farmington, Missouri, 1912.



Bonne Terre, MO, located in St. Francois County, MO was the location for both the Mississippi River and Bonne Terre Railway and its parent company, the St. Joseph Lead Co.



The route of the Mississippi River and Bonne Terre Railway paralleled the St. Louis, Iron Mountain and Southern.

OL' 8894!

by BOB COCHRAN

VIRTUALLY anyone who has been collecting U.S. paper money for any length of time is familiar with the reproduction of the \$1000 promissory note of The Bank of the United States, serial number 8894. This particular reproduction has been the subject of so many inquiries directed to the SPMC that I finally tracked it down and confirmed that the original is in the possession of, and well-guarded by, the Historical Documents Company of Philadelphia.

I'm not sure when the first reproductions of this note were issued by that firm, but it must have been at least 30 or 40 years ago; and apparently, THOUSANDS of them still exist! I'm also assuming that the copies are still being made and distributed, although the "modern" ones have the word "COPY" printed in the bottom margin on the face.

Many have found their way into the hands of people who have no idea what they are, but "it's very old and must be extremely valuable." Of course, the holders of these notes want to know what it's worth, so they contact paper money collectors and dealers to find out.

But that's just where the fun begins! What's fascinating to me are the STORIES that some people concoct to lend validity to their claim that these notes are truly over 150 years old! Surely some of the notes *are* probably over 40 years old; and, of course, they were produced on paper that was chemically treated to appear "old," like parchment.

But these notes have been "found" in trunks which have remained "unopened since the Civil War," "papers of my great-great-grandmother, who acquired it in 1842," "a book of my father's which was published in 1850," and so on.

The latest version arrived in today's mail. The story about the source is nothing unusual, except for the claimed family connection:

I found this note in a box of papers that belonged to my father who is now deceased. The pay to G.W. Fairman is a distant relative of our family. I called the Federal Reserve Bank and they suggested that I contact your organization to see if or what value it might have as a collectors piece. Enclosed is a copy of the original. The original is yellowish brown from age. Thank you and I appreciate your help or any information you may be able to provide for me.

As usual, the letter didn't contain a SASE, so it won't be answered. Anyone out there got any good stories about "O1' 8894?"

A Letter to the Secretary

THE 4\$ MILLION NOTE?

It's absolutely amazing what the "public" comes up with regarding paper money! A case in point is a letter I just received,

and I thought I'd share it with our membership. Believe me, I haven't edited what follows in *any way!*

"Mr. Robert Cochran, Dollar A70538006C was a small feature article titled "one of a kind" in NEWSWEEK or U.S. NEWS AND WORLD REPORT. I read the article and can't remember which magazine or month/year/date.

"The off print error note was shown to a numismatic dealer for appraisal. The dealer contacted the bureau of printing which checked their printing machines using sheets of blanks and determined there might be only one or a few of these error notes and estimated the value of A70538006C at well over \$4 million. It was spent accidentally (sic).

"I have collected \$1 error notes 1988 series and have five such notes including the original A70538006C.

"Can you please tell me anything about the 1988 error notes, estimated value! how many in circulation and found! I believe they are very valuable." The "C" in the serial number is slightly out of position.



A photocopy of the note referred to by the author of the letter is illustrated. Now all we have to do is find the supposed person at the "bureau of printing" who's willing to pay \$4 million for one!



NEW MEMBERSHIP COORDINATOR

NEW MEMBERS
Frank Clark
P.O. Box 117060
Carrollton, TX 75011

- 9058 Timothy D. Hernly, 600 1st Source Bank Center, South Bend, IN 46601.
- 9059 Barry A. Stein, 1305 Towlston Road, Vienna, VA 22182.
- 9060 Richard B. Glenn, 19520 Braewood Drive, Tarzana, CA 91356.
- 9061 Thomas P. Heilman, 531 Handy Drive, Bay City, MI 48706.
- 9062 Arlin L. Zingg, 16430 400th Street, Leland, IA 50453-7578.
- 9063 Susan R. Cohen, 3921 Livingston Drive, Apt. 12, Long Beach, CA 90803.
- 9064 Charles A. Loehr, 529 NE 18th Street, Boca Raton, FL 33432; C, U.S. lg. size.
- 9065 Mike Brusseau, 403 Bluff Avenue, Brainerd, MA 56401; Minnesota Nat. & Romania.
- 9066 Marvin Martens, 17828 Autumn, Macomb, MI 48044; C.
- 9067 Richard P. Silva, 5367 Contina Avenue, Jacksonville, FL 32277-1301; C. CSA & Southern states.
- 9068 Thomas L. Effley, 21 Francis Drive, Bethany, CT 06524-3227.
- 9069 Haresh Assumal, 3901 Conshohocken Avenue, Philadelphia, PA 19131.
- 9070 Robert F. Seck, 20 Flagstone Lane, Westbury, NY 11590.
- 9071 Norman Cornish, P.O. Box 4029, Schenectady, NY 12303.
- 9072 Art Paradis, 1404 Reliez Valley Road, Lafayette, CA 94549; C. Fractionals.

- 9073 Craig M. Hille, P.O. Box 1907, Boone, NC 28607; C. Sm. size notes.
- 9074 Joseph Kappes, 2060 Shadwell Way, Lawrenceville, GA 30243; C. Lg. size notes.
- 9075 Nash Hayes, 125 Cooper Drive, Lebanon, KY 40033; C. Fractionals.
- 9076 Ercel E. Rushing, 7550 S. R. 506, Marion, KY 42064; C. Obsoletes.
- 9077 Stephen A. Sayeedi, 670 13th Avenue, Salt Lake City, UT 84103; C.
- 9078 David Knower, R.R. 1, Box 218, Ferryville, WI 54628; C.
- 9079 Ronald K. Leonard, 3454 Kingswood Place, Waterloo, IA 50701; C.
- 9080 Hernley L. Madeira, 1335 Fitch Way, Sacramento, CA 95864-3030; C.
- 9081 Tom L. Butler, 108 Oxbow CR, Ecinitas, CA 92024; C. Fractionals.
- 9082 John M. Lahey, 2241 West Laskey, #29, Toledo, OH 43613-3562; C.
- 9083 George Lowerts, 384 Greenwich Drive, Richmond Hill, GA 31324; C.
- 9084 Donald P. Thannen, 309 Kenyon Drive, Springfield, IL 62704; C. Nat. BN.
- 9085 Stuart E. Robken, 7737 Fair Oaks Blvd., #471, Carmichael, CA 95608-1792.
- 9086 Minhua Cheung, (200051) 503-31 Shan Jin Bzi Zhai, Chang Nin Road, Shanghai, China.
- 9087 Nikos Kefalidis, 155 East 56th Street, New York, NY 10022; C.
- 9088 Bradley B. Garretson, 105 Danza Court, Orinda, CA 94563.
- 9089 Michael V. Vessetti, 5 Crescent Court, Peru, IL 61354.
- 9090 Michael Kelley, 260 Union Avenue, #44, Reading, MA 01864; C.
- 9091 Glenda Walker, 3717 Billie Faye, North Richland Hills, TX 76180.
- 9092 Harlan J. Smolin, 9036 Forestview Road, Evanston, IL 60203; C.
- 9093 David M. Painter, 196 East Sycamore Drive, Springport, IN 47386; C. Lg. size notes.
- 9094 George Fitzgerald, 6311 Sawmill Woods, Ft. Wayne, IN 46835.
- 9095 Stane Straus, Opresnikova 36, 64000 Kranj, Slovenia; C, Yugoslavia & Rhodesia.
- 9096 Edward J. Mayhew, 6610 Carleton Court, Laurel, MD 20707.
- 9097 Gregory W. Charlesworth, R.D. 1, Box 10, Roaring Spring, PA 16673.
- 9098 M. Istomin, P.O. Box 2020, 310202 Kharkov, Ukraine.
- 9099 P.J. Wiedemann, P.O. Box 519, Station Galt, Cambridge, Ontario N1R 5W1, Canada.
- 9100 Vernon V. Peterson, P.O. Box 494, Vails Gate, NY 12584-0494; C, Obsoletes, C.S.A. & 1800s checks.

money mart

Paper Money will accept classified advertising from members only on a basis of 15¢ per word, with a minimum charge of \$3.75. The primary purpose of the ads is to assist members in exchanging, buying, selling, or locating specialized material and disposing of duplicates. Copy must be non-commercial in nature. Copy must be legibly printed or typed, accompanied by prepayment made payable to the Society of Paper Money Collectors, and reach the Editor, Gene Hessler, P.O. Box 8147, St. Louis, MO 63156 by the first of the month preceding the month of issue (i.e. Dec. 1 for Jan./Feb. issue). Word count: Name and address will count as five words. All other words and abbreviations, figure combinations and initials count as separate. No check copies. 10% discount for four or more insertions of the same copy. Sample ad and word count.

WANTED: CONFEDERATE FACSIMILES by Upham for cash or trade for FRN block letters, \$1 SC, U.S. obsolete. John W. Member, 000 Last St., New York, N.Y. 10015.

(22 words: \$2: SC: U.S.: FRN counted as one word each)

OHIO NATIONALS WANTED. Send list of any you have. Also want Lowell, Tyler, Ryan, Jordan, O'Neill. Lowell Yoder, P.O.B. 444, Holland, OH 43528, 419-865-5115. (185)

NEW JERSEY—MONMOUTH COUNTY obsolete bank notes and scrip wanted by serious collector for research and exhibition. Seeking issues from Freehold, Monmouth Bank, Middletown Point, Howell Works, Keyport, Long Branch, and S.W. & W.A. Torrey-Manchester. Also Ocean Grove National Bank and Jersey Shore memorabilia. N.B. Buckman, P.O. Box 608, Ocean Grove, NJ 07756. 1-800-533-6163. (185)

WANTED: NEW YORK FOR PERSONAL COLLECTION. TARRY-TOWN 364 & 2626, MOUNT VERNON 8516 & 5271, MAMARONECK 5411 & 13592, Rye, Mt. Kisco, Hastings, Croton on Hudson, Sommers, Harrison, Sing Sing, Ossining, White Plains, Irvington, Bronxville, Ardsley, Crestwood, New Rochelle, Elmsford, Scarsdale, Larchmont, Portchester, Tuckahoe, Mt. Vernon, Peekskill, Pelham, Hartsdale, Chappaqua. Send photocopy, price: Frank Levitan, 4 Crest Ave., Larchmont, N.Y. 10538-1311, 914-834-6249. (187)

STOCK CERTIFICATE LIST SASE. Specials: 50 different \$19. five lots \$75. 15 different railroad stocks, most picturing trains, \$20. five lots \$80. Satisfaction guaranteed. Always buying. Clinton Hollins, Box 112-P, Springfield, VA 22150-0112. (190)

NYC WANTED: Issued NYC, Brooklyn obsoletes; issued/unissued obsoletes from locations within present-day Manhattan, Brooklyn, Bronx, Queens, Staten Island. Steve Goldberg, Box 402, Laurel, MD 20725-0402. (185)

WW II MILITARY CURRENCY MY SPECIALTY! Periodic price lists for 55¢ SASE; MPC, Philippine Guerilla, Japanese invasion, world coins-paper-stamps, U.S. coins-paper-stamps, Confederate, obsoletes, FRN, stocks-bonds. 702-753-2435. Edward B. Hoffman, P.O. Box 6039-S, Elko, NV 89802-6039. (186)

SELLING NATIONALS: Guntersville, Pine Bluff, Weed, Trinidad Winsted, Fernandina, Milledgeville, Salmon, Hegewisch, Wadesville, Winterset, Hiawatha, Hodgenville, Arcadia, Calais, Rising Sun, Braintree, Ypsilanti, Biloxi, Sedalia, Ord, Reno, Somersworth, Cranbury, Raton, Ballston Spa, Mebane, Devils Lake, Mingo Junction, Sapulpa, The Dalles, Wilkinsburg, Pawtucket, Spartanburg, Wilmot, Schwertner, Bluefield. 48 states, free list (specify state). Joe Apelman, Box 283, Covington, LA 70434. (184)

WANTED—Autographs, Documents, Letters, Slave Related Items, Etc. Revolution through the Civil War. Richard T. Hooper, Jr. P.O. Box 3116, Key Largo, FL 33037. FAX or Phone (305) 853-0105. (188)

\$1 Silver Certificates Wanted from Series 1928 to 1934. I especially want star notes and scarce blocks. Frank Bennett, P.O. Box 8722, Port St. Lucie, FL 34985. (188)

WANTED AUTOGRAPHS

Original signatures of famous historical people on
currency • letters • photos • documents • checks

RAY ANTHONY
505 SO. BEVERLY DR. #1265
BEVERLY HILLS, CA 90212

TOLL FREE 800-626-3393
ANA LIFE MEMBER • MEMBER MANUSCRIPT SOCIETY
MEMBER AMERICAN BOARD OF FORENSIC EXAMINERS

BOWERS AND MERENA

for the Best Prices on your Paper Money!

Actual currency lot from a recent Bowers and Merena auction sale.

Rare Kirtland, Ohio \$100 Important Historical Mormon Issue



533 Kirtland, Ohio, The Kirtland Safety Society Bank, OH-245. \$100. Haxby. G-18. EF. Dated July 4, 1837. Serial: 113. Made payable to Joseph Smith. Signed by Warren Parrish as cashier and Frederick G. Williams as President. The central vignette features the signing of the Declaration of Independence. The writer Alvin E. Rust described the issues of this bank as "the first Mormon currency endeavour." **Very rare denomination.**

Paper money has always been a specialty at Bowers and Merena.

We offer:

- Unsurpassed descriptions
- Profuse illustrations
- Extensive publicity
- Wide-ranging expertise

We would be delighted to offer single important notes and entire collections.

*Please call Dr. Richard A. Bagg, our Director of Auctions, at the toll-free number below. There is no obligation—just the **opportunity** to sell your paper money for the very best market price.*



Auctions by Bowers and Merena, Inc.

BOX 1224 • WOLFEBORO, NH 03894 • TOLL-FREE 1-800-458-4646 • IN NH 569-5095 • FAX 603-569-5319

Pay over "bid" for many
Pay over "ask" for some
Pay over Hickman-Oakes for many nationals
Pay cash – no deal too large.

All grades wanted, Good to Unc.
at 75, I can't wait.

Currency dealer over 50 years.

A.N.A. Life #103 (56 years)

P.N.G. President 1963–1964



A.M. KAGIN

910 Insurance Exchange Bldg.

Des Moines, IA 50309

(515) 243-7363

Buy: Uncut Sheets – Errors – Star Notes – Checks
Confederate – Obsolete – Hawaiiana – Alaskiana
Early Western – Stocks – Bonds, Etc.

SUPERB UNITED STATES CURRENCY FOR SALE



SEND FOR
FREE
PRICE LIST

BOOKS FOR SALE

PAPER MONEY OF THE U.S. by Friedberg. 14th Edition. Hard Bound. \$18.50 plus \$2.50 postage. Total price \$21.00.

COMPREHENSIVE CATALOG OF U.S. PAPER MONEY by Gene Hessler. 5th Edition. Hard Cover. \$29.50 plus \$2.50 postage. Total Price \$32.00.

NATIONAL BANK NOTES by Don Kelly. 2nd Edition. Hard Cover. List all national bank notes by state and charter number. Gives amounts issued and what is still outstanding. 435 pages. \$31.50 plus \$2.50 postage. Total Price \$34.00.

THE ENGRAVER'S LINE by Gene Hessler. Hard Cover. A complete history of the artists and engravers who designed U.S. Paper Money. \$75.50 plus \$3.50 postage. Total Price \$79.00.

U.S. ESSAY, PROOF AND SPECIMEN NOTES by Gene Hessler. Hard Cover. Unissued designs and pictures of original drawings. \$14.00 plus \$2.00 postage. Total Price \$16.00.

Stanley Morycz

P.O. BOX 355, DEPT. M • ENGLEWOOD, OH 45322

513-898-0114



EARLY AMERICAN NUMISMATICS

*619-273-3566

COLONIAL & CONTINENTAL CURRENCY

SPECIALIZING IN:

- ☐ Colonial Coins
- ☐ Colonial Currency
- ☐ Rare & Choice Type Coins
- ☐ Pre-1800 Fiscal Paper
- ☐ Encased Postage Stamps

SERVICES:

- ☐ Portfolio Development
- ☐ Major Show Coverage
- ☐ Auction Attendance

**We maintain the
LARGEST**

**ACTIVE INVENTORY
IN THE WORLD!**

**SEND US YOUR
WANT LISTS.
FREE PRICE
LISTS AVAILABLE.**

☐ **EARLY AMERICAN NUMISMATICS** ☐

c/o Dana Linett

☐ P.O. Box 2442 ☐ LaJolla, CA 92038 ☐
619-273-3566

Members: Life ANA, CSNA-EAC, SPMC, FUN, ANACS

WANTED

ALL STATES ESPECIALLY THE
FOLLOWING: TENN-DOYLE & TRACY
CITY: AL, AR, CT, GA, SC, NC, MS, MN.
LARGE & SMALL TYPE

ALSO

OBSOLETE AND CONFEDERATE

WRITE WITH GRADE & PRICE

**SEND FOR LARGE PRICE
LIST OF NATIONALS—
SPECIFY STATE**

**SEND WANT LIST
DECKER'S COINS & CURRENCY**

P.O. BOX 69 SEYMOUR, TN
37865 (615) 428-3309

LM-120

ANA 640

FUN LM90

HARRY IS BUYING

**NATIONALS — LARGE
AND SMALL
UNCUT SHEETS
TYPE NOTES
UNUSUAL SERIAL NUMBERS
OBSOLETES
ERRORS**

HARRY E. JONES

PO Box 30369
Cleveland, Ohio 44130
216-884-0701



NUMIS VALU INC.

P.O. BOX 84 • NANUET, N.Y. 10954



BUYING / SELLING:

OBSOLETE CURRENCY, NATIONALS, U.S. TYPE, UN CUT SHEETS, PROOFS, SCRIP.
Periodic Price Lists available: Obsoletes (\$3 applicable to order), Nationals, & U.S. Large & Small Size Type.

PHONE or FAX

BARRY WEXLER, Pres. Member: SPMC, PCDA, ANA, FUN, GENA, ASCC

(914) 352-9077

BOOKS ON PAPER MONEY & RELATED SUBJECTS

The Engraver's Line: An Encyclopedia of Paper Money & Postage Stamp Art, Hessler \$85
Comprehensive Catalog of U.S. Paper Money Errors, Bart 35
The Comprehensive Catalog of U.S. Paper Money, Hessler 40
U.S. Essay, Proof & Specimen Notes, Hessler 19
The Houston Heritage Collection of National Bank Notes 1863-1935, Logan 25

National Bank Notes, Kelly 45
U.S. National Bank Notes & Their Seals, Prather 40
Paper Money of the U.S., Friedberg, 14th edition 24
Prisoner of War & Concentration Camp Money of the 20th Century, Campbell 35
Small-Size U.S. Paper Money 1928 to Date, Oakes & Schwartz, Softbound 25
World Paper Money, 7th edition, general issues 55
World Paper Money, 7th edition, specialized issues 60

10% off five or more books / SHIPPING: \$3 for one book, \$4 for two books, \$5 for three or more books. All books are in new condition & hardbound unless otherwise stated.

CLASSIC COINS — P.O. BOX 95 — Allen, MI 49227

Million Dollar Buying Spree

Currency:

Nationals MPC
Lg. & Sm. Type Fractional
Obsolete Foreign

Stocks • Bonds • Checks • Coins
Stamps • Gold • Silver
Platinum • Antique Watches
Political Items • Postcards
Baseball Cards • Masonic Items
Hummels • Doultons

Nearly Everything Collectible

SEND FOR OUR COMPLETE PRICE LIST FREE

Allen's COIN SHOP INC.
EST. 1960
"The Higher Buyer"

399 S. State Street • Westerville, OH 43081
1-614-882-3937
1-800-848-3966 outside Ohio



I COLLECT
MINNESOTA OBSOLETE CURRENCY
and NATIONAL BANK NOTES

Please offer what you have for sale.

Charles C. Parrish

P.O. Box 481

Rosemount, Minnesota 55068

(612) 423-1039

SPMC LM114 — PCDA — LM ANA Since 1976



MYLAR D CURRENCY HOLDERS

PRICED AS FOLLOWS

BANKNOTE AND CHECK HOLDERS

SIZE	INCHES	50	100	500	1000
Fractional	4 ³ / ₄ x 2 ³ / ₄	\$16.50	\$30.00	\$137.00	\$238.00
Colonial	5 ¹ / ₂ x 3 ¹ / ₁₆	17.50	32.50	148.00	275.00
Small Currency	6 ⁵ / ₈ x 2 ⁷ / ₈	17.75	34.00	152.00	285.00
Large Currency	7 ⁷ / ₈ x 3 ¹ / ₂	21.50	39.50	182.00	340.00
Auction	9 x 3 ³ / ₄	25.00	46.50	227.00	410.00
Foreign Currency	8 x 5	28.00	52.00	239.00	430.00
Checks	9 ⁵ / ₈ x 4 ¹ / ₄	26.50	49.00	224.00	415.00

SHEET HOLDERS

SIZE	INCHES	10	50	100	250
Obsolete Sheet					
End Open	8 ³ / ₄ x 14 ¹ / ₂	\$13.00	\$60.00	\$100.00	\$230.00
National Sheet					
Side Open	8 ¹ / ₂ x 17 ¹ / ₂	25.00	100.00	180.00	425.00
Stock Certificate					
End Open	9 ¹ / ₂ x 12 ¹ / ₂	12.50	57.50	95.00	212.50
Map and Bond Size					
End Open	18 x 24	48.00	225.00	370.00	850.00

You may assort note holders for best price (min. 50 pcs. one size). You may assort sheetholders for best price (min. 5 pcs. one size) (min. 10 pcs. total).

SHIPPING IN THE U.S. (PARCEL POST) FREE OF CHARGE

Mylar D® is a Registered Trademark of the Dupont Corporation. This also applies to uncoated archival quality Mylar® Type D by the Dupont Corp. or the equivalent material by ICI Industries Corp. Melinex Type 516.

DENLY'S OF BOSTON

P.O. Box 1010 617-482-8477 Boston, MA 02205

ORDERS ONLY:

800-HI-DENLY FAX 617-357-8163

**BUYING and SELLING
PAPER MONEY**

U.S., All types

Thousands of Nationals, Large and Small, Silver Certificates, U.S. Notes, Gold Certificates, Treasury Notes, Federal Reserve Notes, Fractional, Continental, Colonial, Obsoletes, Depression Scrip, Checks, Stocks, etc.

Foreign Notes from over 250 Countries

Paper Money Books and Supplies

Send us your Want List ... or ...

Ship your material for a fair offer

LOWELL C. HORWEDEL

P.O. BOX 2395

WEST LAFAYETTE, IN 47906

SPMC #2907

ANA LM #1503

**PHILLIP B. LAMB, LTD.**

CONFEDERATE STATES OF AMERICA, HISTORICAL CONNOISSEUR

Avidly Buying and Selling:

CONFEDERATE AUTOGRAPHS, PHOTOGRAPHS, DOCUMENTS, TREASURY NOTES AND BONDS,
SLAVE PAPERS, U.C.V., OBSOLETE BANK NOTES, AND GENERAL MEMORABILIA.

Superb, Friendly Service. Displaying at many major trade shows.

QUARTERLY PRICE LISTS:

\$8 ANNUALLY

WANT LISTS INVITED

APPRAISALS BY FEE.

PHILLIP B. LAMB

P.O. BOX 15850

NEW ORLEANS, LA 70175-5850

504-899-4710

United States Large Size Currency

Send For Our Free Price List of Choice Quality Large Size
Type And National Bank Notes.

STEINBERG'S

P.O. Box 1565-PM, Boca Raton, FL 33429-1565

Telephone: 954-781-3455 • Fax: 954-781-5865

Buying & Selling

*National Bank Notes, Uncut Sheets, Proofs,
No. 1 Notes, Gold Certificates, Large-Size
Type Error Notes, Star Notes.*

Commercial Coin Co.

P.O. Box 607
Camp Hill, PA 17001

Phone 717-737-8981

Life Member ANA 639

**BUYING**

Obsolete—Confederate
Continental—Colonial
19th Century Stocks-Bonds
Small or Large Collections
Send List or Ship

AND

(305) 853-0105
SPMC

SELLING

STOCKS & BONDS
Large Price List
Over 200 Different
Mostly 19th Century
Railroads, Mining, etc.

Richard T. Hooper, Jr. P.O. Box 3116, Key Largo, FL 33037

INTERNATIONAL BANK NOTE SOCIETY

**MEMBERSHIP DUES & FEES**

The current annual dues, in U. S. Dollars and U. K. pounds, are:

Regular membership	\$ 17.50	£10.00
Family Membership	22.50	12.50
Junior Membership	9.00	5.00
Life Membership	300.00	165.00
Euro Cheques, add		.50

For applications for all categories of membership contact:

Milan Alusic
P.O. Box 1642, Racine, Wisconsin 53401 U.S.A.
(414) 554-6255

DON'T RISK YOUR COLLECTION STORE IT IN MYLAR™!

Oregon Pioneer Albums & Sleeves

SafeKeeper Albums
Safe Deposit Box Size
Post Binder Format
50 MYLAR™ Pages
Black Leatherette Cover

6 Sizes in Stock:
For Currency of all
Types including
Checks, Large US,
Small US, World,
Postcards,
Fractionals, etc.

Flexible Albums
Inexpensive
25 MYLAR™ Pages
Durable Flexible Cover
Plastic Spiral Binding
Compact & Lightweight

4 Sizes in Stock:
For Checks,
Stock Certificates,
Postcards,
Fractionals, etc.

Custom Albums Available
Many Sizes of MYLAR™ Sleeves Also In Stock

Call, Write or Fax Now for Information
Your Complete Satisfaction Guaranteed

OREGON PAPER MONEY EXCHANGE
6802 SW 33rd Place
Portland, OR 97219
(503) 245-3659 Fax (503) 244-2977



CANADIAN BOUGHT AND SOLD

- CHARTERED BANKNOTES.
- DOMINION OF CANADA.
- BANK OF CANADA.
- CHEQUES, SCRIP, BONDS & BOOKS.

FREE PRICE LIST
CHARLES D. MOORE

P.O. BOX 5233P
WALNUT CREEK, CA 94596-5233

LIFE MEMBER A.N.A. #1995 C.N.A. #143 C.P.M.S. #11

MACERATED CURRENCY

Buying unusual pieces of Macerated Currency.

*Write or call for illustrated Price List of
Macerated Currency for sale.*

CHARLES E. KIRTLEY
919-335-1262

P.O. Box 2273 Elizabeth City, NC 27906

WANTED

WISCONSIN NATIONALS



C. Keith Edison

P.O. Box 26

Mondovi, Wisconsin 54755-0026

(715) 926-5001 FAX (715) 926-5043

OBSOLETE NOTES

Also CSA, Continental & Colonial, Stocks & Bonds, Autographs & Civil War Related Material.

LARGE CAT. \$2.00 Ref.
Always Buying at Top Prices

RICHARD T. HOOBER, JR.

P.O. Box 3116, Key Largo, FL 33037

FAX or Phone (305) 853-0105

WORLD PAPER MONEY

specialized in Poland, Russia & E. Europe



Buy & Sell
Free Price List

Tom Sluszkiewicz

P.O. Box 54521, Midlegate Postal
BURNABY, B.C., CANADA, V5E 4J6

CONTINENTAL & COLONIAL

Notes, Autographs, Documents & Many, Many Other Early 19th Century Items.

SEND FOR FREE LIST

RICHARD T. HOOBER, JR.

P.O. Box 3116, Key Largo, FL 33037
305-853-0105

WHOLESALE

RETAIL

CURRENCY CENTRAL AMERICA BANKNOTES

MR. OSCAR R. FONSECA CALDERON

P.O. BOX 3701

CORREO CENTRAL, MANAGUA 5
NICARAGUA

FAX 505 2 49 89 63

tel; 2 49 89 63

FREE LIST ON REQUEST AVAILABLE OLD ISSUES



WE ARE ALWAYS BUYING

- FRACTIONAL CURRENCY
- ENCASED POSTAGE
- LARGE SIZE CURRENCY
- COLONIAL CURRENCY

WRITE, CALL OR SHIP:

**FRACTIONAL
CURRENCY inc.**

LEN and JEAN GLAZER

(718) 268-3221

POST OFFICE BOX 111
FOREST HILLS, N.Y. 11375

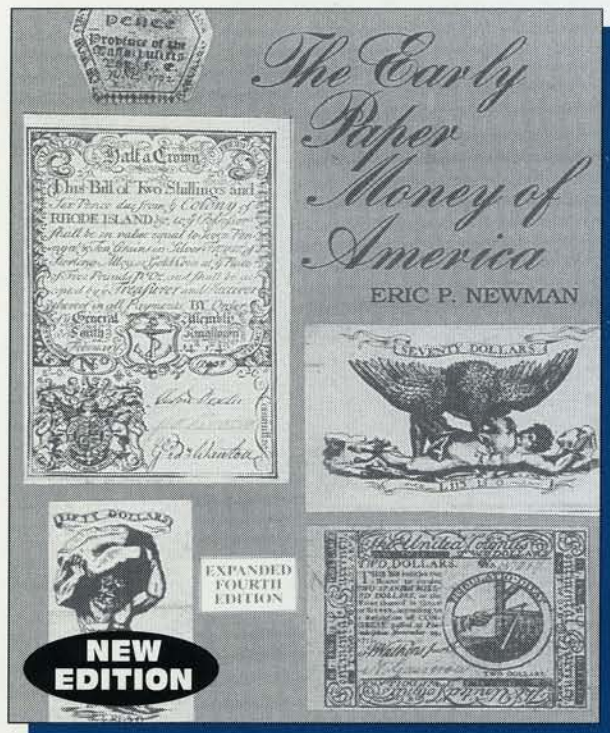
Pcda

Charter Member



It's Only Money.... But Boy Is It Fun

Put These Comprehensive Volumes Behind Your Paper Money Collecting

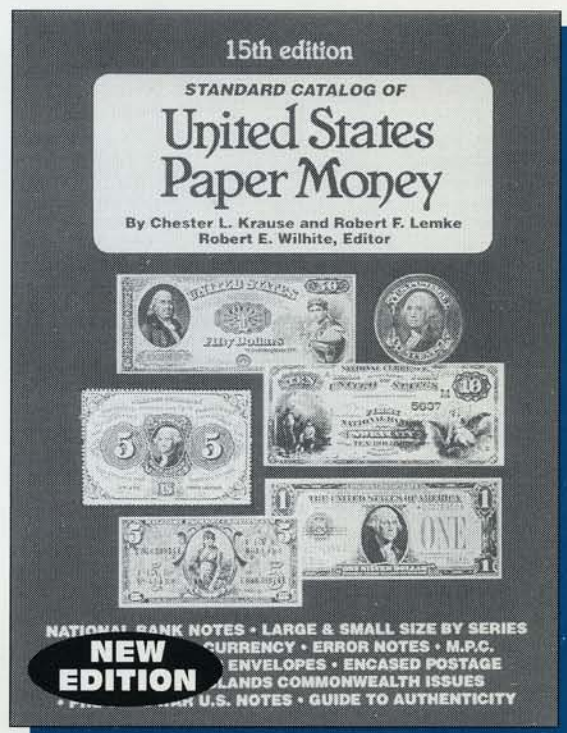


8½"x11" • hardcover • 480 pages • 100 color photos
• 930 b&w photos • EP04 \$75.00 Available 9/96

Early Paper Money of America, 4th Edition

by Eric P. Newman

Completely revised and updated, this expansive fourth edition is an illustrated, historical and descriptive compilation of data relating to American paper currency from its inception in 1686 to 1800. This comprehensive book is supplemented with current values of all available bills and includes a special color section. Paper money collectors and historians alike will treasure this volume.



8½"x11" • hardcover • 232 pages
• 550 b&w photos • SP15 \$24.95 Available 9/96

Standard Catalog Of U.S. Paper Money 15th Edition

by Chester L. Krause and Robert Lemke; Robert Wilhite, Editor
Put the latest values for more than 5,000 pieces of U.S. currency at your fingertips the next time you buy or sell. More than 550 clean, sharp photos help you identify the notes of importance to you. Covers more than 183 years of U.S. paper money, including all new issues through the 1994 series. Not just a price guide, it's an encyclopedic reference to U.S. currency and national bank notes by type and signature variety. A "must" for U.S. paper money collectors.

Please print clearly

Name _____ () Check or money order enclosed (payable to Krause Publications)
Address _____ () MasterCard () VISA () Discover () Am Ex
City _____ Card No. _____
State/Zip _____ Exp. Date Mo. _____ Yr. _____
Phone _____ Signature _____

Qty.	Code	Title	Price	Total
	EP04	Early Paper Money of America, 4th Edition	\$75.00	
	SP15	Standard Catalog of U.S. Paper Money, 15th Edition	\$24.95	
Please add \$3.25 postage for the first book and \$2.00 each additional. Outside U.S. add \$10.00 for first book and \$5.00 each additional book ordered for postage and handling.			Shipping & Handling	
			Subtotal	
			WI res. add 5.5%, IL res. add 7.75% sales tax	
			Total Enclosed	

Credit Card orders save time by calling toll-free
800-258-0929 Dept. P6NS
Mon. - Fri. 6:30 a.m. to 8:00 p.m. • Sat. 8:00 a.m. to 2:00 p.m., CST.

Mail to:  **krause publications**
700 E. State Street, Dept P6NS, Iola, WI 54990-0001